THE

# BANKER'S MAGAZINE

AND

## STATISTICAL REGISTER.

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*"No expectation of forbearance or indulgence should be encouraged. Favor and benevolence are not the attributes of good banking. Strict justice and the rigid performance of contracts are its proper foundation."*

*"The revenue of the State is* THE STATE; *in effect, all depends upon it, whether for support or for reformation."*

*"Rightfully considered, no principle is more conservative than that which identifies the laborer with the capitalist."*

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VOLUME FORTY-EIGHTH

OR,

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# BANKER'S MAGAZINE

AND

## Statistical Register.

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## THE BANK FAILURES.

It is very easy after a disaster has happened to show how it could have been prevented. All the bankers throughout the country are much wiser concerning the lending of their funds than they were a few months ago; even the most experienced has learned something.

In looking over the long list of banks that have failed, the most noteworthy fact is that nearly all of them are new institutions. Of the entire number only two or three had been in existence only a short period. The Plankinton Bank of Milwaukee is perhaps the most marked exception. This bank had had a longer existence, it also had a large amount of deposits, and much strength. More recently, however, a large portion of its funds had been used in speculations, and it was known that some of these had proved disastrous, and that the bank was doubtless a loser by them. The run on the bank sprang from this fear. Had the bank pursued a conservative course like the other banks in that city doubtless it would be in existence to-day.

In the large cities especially a new bank, unless started in the newer portion of the city, or unless having a strong board of directors who can furnish business, must have a precarious existence. Why should the depositors of an old institution possessing

ample capital and a large surplus, and experienced officers, leave it for a new bank, the ability of whose officers must be proved? Naturally, therefore, new banks do not attract depositors, unless they are new ones, or perhaps have less regular and valuable accounts. As we have already said, in every growing city there is room for new banks in the newer portions, while banks may be established occasionally even in the very heart of the city itself for special purposes and conducting a special business and succeed. Several banks of this character have been established in New York and in other cities, whose success is assured. Their boards consist of influential men who will not only furnish deposits, but command business.

The newer banks, therefore, in order to get business have often been obliged to take risks which the older ones would decline. They have been too liberal to their depositors; have paid higher rates of interest than they could really afford to pay; have done a good deal of business for nothing expecting to draw other business in return. They have indulged in a variety of outside operations for the sake of adding something to their earnings, and have taken loans which were not safe at a higher rate of interest in order to increase their gains. That some of them should fail was to be expected.

In the smaller places new banks may be organized with a better chance of success. Every village of any considerable size needs a bank for facilitating the ordinary operations of business, and if they are properly managed, as most of them are, they serve a useful purpose and are successful. But a great many banks have been established of late in a different manner and for a different purpose. Many of the failed banks were organized by men who had different objects in view; they were to serve a secondary purpose for other operations. The directors were engaged in great land schemes, building operations, factories, or construction enterprises, and their banks were simply an agency for getting funds and credit. This has been the history of many of the newer banking institutions. The consequence is that the success of such a bank depends largely on the success of the outside enterprises in which its funds have been employed. If they prove unsuccessful then the bank is a loser and perhaps ruined. Many of the banks that have failed within the last two or three years have been of this subsidiary character, conducted by the same class of officers; and the failure of the outside scheme necessitated the failure of the bank which furnished the money and credit.

But the older banks have also learned something from these experiences; nor have they wholly escaped losses. There have been many failures in the business of production and exchange

with heavy losses to lenders, and also other losses on loans secured by stocks. It is often a question with bankers which of the two classes of investments are the safer—mercantile paper or paper secured by stock collaterals. Occasionally, when a bank has experienced heavy losses from the failures of merchants and producers it reaches the conclusion that after all the safest kind of investment is a man's note secured by a collateral which is listed on the stock exchange, the price of which is daily known, and which commands a ready sale. But, as banks have learned, such securities are by no means safe. For it frequently happens that when two or three securities which are thus listed on the exchange decline, the whole list also declines and the margin of security suddenly vanishes. It is said that a considerable number of the banks at the present time have loans secured by industrial stocks, the value of which has declined far below the loan margin.

When a bank has thus suffered, it not unfrequently turns to mercantile paper realizing that there is no such danger of losses as from stock collaterals. This merchant and that merchant may fail, but all of them will not, and thus it is a question not easily answered which class of securities, all things considered, is the safest to take.

The great lesson conveyed by these failures is that the lending of money is, at best, a risky operation and that losses cannot be avoided, but doubtless if greater prudence was exercised in making loans, losses would be much less then they are now. Bankers realize how their risks in money lending have been increased by the introduction of the bill broker, who separates the lender from the borrower. In olden times a bank had its customers and was not obliged to resort to other sources for lending money. Indeed, the difficulty was usually of the opposite character, to get money enough to lend to its customers, but in the larger cities especially the opposite condition of things now generally prevails; the banks do not have customers enough and so they must buy paper in order to lend their money. Another reason doubtless for this state of things is that borrowers find that they can negotiate for loans through bill brokers easily and with some well understood advantages to themselves. They escape making statements of their condition and are able to float much more paper in many cases than they could if they depended on one or two banks for funds. Herein is the risk of this new mode of lending money; a bank is utterly at sea concerning the ability of a borrower. Almost the only mode a bank has of judging of the worth of such paper now-a-days is to resort to the books which give the standing of borrowers. Then a bank will get in the way of buying the paper of certain

individuals and companies and which being paid regularly commands a confidence which grows with each additional purchase. So in time a bank comes to have a large degree of confidence in the paper of individuals and companies thus purchased, but, after all, it will be seen that this confidence is not based on any knowledge of the borrower's business. It is simply a blind confidence springing from regular payments and nothing more. When failures occur it is then often seen that a borrower has obtained money from one source to pay money borrowed from another, and has thus kept himself going for months and years perhaps when in an insolvent condition. Had he borrowed money in the old manner, through one or two banks, they doubtless would have known of his condition long before and would have ceased to furnish him money.

It is this blind method of lending money which has cost the banks so much in the way of loss of capital; and not only this, but as we remarked last month, they have been the means unwittingly of bringing many a merchant and producer to the edge of bankruptcy or have thrown him over it. For by supplying persons with money who ought not to have had it, they have kept their business alive long after their insolvency and enabled them to sell at ruinous prices; ruinous not only to themselves, but also to their competitors who were once in a much better condition. It is by doing these things that the entire business of the country has suffered so grievously during the last few years, and there seems to be no way of escape. Had the banks not thus assisted the good and bad alike, the solvent and insolvent, doubtless the weaker would have perished sooner, but there would have been fewer of them, while the better class would have not had so serious a time and would have made more money. This is a truthful analysis of the situation. All classes have been dragged down by the unwise lending by banking institutions, and the present condition of things will continue until the banks cease their present mode of lending money.

What then ought to be done? Obviously the banks ought to return to the old ways of knowing more about the responsibility and capacity to do business of those to whom they lend money. They should stop lending simply on the credit of names. In other words, they should cease to do business in the dark. If they are to lend to manufacturers they should take time enough to investigate into their affairs and learn what they are doing and whether the business is profitable and whether, if the money is lent, it is likely to be repaid. Nor is this such a difficult thing to do as some perhaps imagine. For if, instead of lending to so many, a bank should restrict its loans to fewer persons and then watch their affairs more carefully, making investigations

from time to time as to their standing, profits, etc., they would serve them in a far more effective manner than they are now doing and lose less money. This is plainly the reform which the banks should undertake and without delay. The banks may reply to all this, we have not the time nor the inclination to make such investigations; we prefer to take the risk. Of course, they are at liberty to do so, but if they continue in the old way they are likely to reap another crop of failures in due season. It would seem as though experience ought to teach men something, and if we are to be taught anything by these events it is that the banks must be more prudent in lending their resources if they expect to escape the disasters from which they are now suffering.

## A REVIEW OF FINANCE AND BUSINESS.

### THE FINANCIAL SITUATION

has been the one controlling influence in all branches of business, for another month, without material change in the commercial condition of the country at large, either for better or for worse; except as the nature of the disease that prostrated it has been developed, a diagnosis by our legislative doctors, and the consideration of a remedy; while we are one month nearer its application; and, possibly have passed the crisis. Meantime, the waves of commercial distrust and of confidence have alternately advanced and receded, as the tide of financial disaster has ebbed and flowed, leaving its wrecks sunken, or hopelessly stranded, along the beach; and dragging sounder craft, that had ridden the wave, down with its resistless undertow.

At the end of May, the storm center had reached the West, and was spreading over the Mississippi Valley. Since then it has extended to the North and Southwest; leaped the hitherto inaccessible financial barriers of the Rocky Mountains and struck the Gold Standard Pacific Coast with unabated fury. Like Chicago and all other Western trade and Free Silver centers, it has been compelled in its distress, to call upon New York for relief, nor has it called in vain. But the drain was so enormous, that it produced a return wave of depression and distrust in the East by raising the rates, increasing fourfold the stringency and difficulty in borrowing money, even on call; and finally compelling the banks of New York, Philadelphia, and Boston, to resort to the device invented in the last panic, of issuing Clearing House certificates for their own safety. This was followed by renewed failures in the East, until the rate of sterling exchange had broken to a gold importing basis, stopped its exports and brought foreign

capital here in sufficient amounts to check the increasing stringency, which was attracted by the high rates compared with the lower rates in London. Increased exports of wheat and cotton also have helped to bring about this change in the foreign exchange market, and to improve the prospects of an approaching end of gold exports. A return current of this tremendous outflow of nearly $10,000,000 a week for several weeks to the West also set in near the close of the month, due to the decreasing bank troubles in that section, and to the untying of large amounts of local capital. All these influences combined produced a better feeling East of the Rocky Mountains, at the end of the month, while the violence of the storm on the Pacific Coast was believed to indicate that its duration would be brief. This is the situation, at this writing, from the Atlantic to the Pacific, and from the Lakes to the Gulf; and the panic is believed to have spent its force, though the financial weather is by no means settled nor clear; but it gives signs of clearing, with a low financial barometer still, throughout the country, but less atmospheric disturbance in the Southern States, so far, than in any other section, owing to the good prices it received for its last cotton crop, which had been raised on the smallest amount of credit ever known, owing to the extreme low prices of the preceding crop; which accounts for the unexpectedly sound condition of business in that section.

### ALL NOW DEPENDS ON THE REPEAL OF THE SILVER LAW.

But this calm after the storm or during its temporary cessation, whichever the result may prove it to be, has been due more largely than to all the above combined causes, to the almost assured prospect of the repeal of the disastrous Sherman Silver Law, as the press of this city has made a pretty complete telegraphic canvass of the members of Congress, and obtained the views of a safe majority in favor of such action. This has hitherto been in grave doubt; and, it is believed to be the chief, if not the only reason an extra session has not already been called. To have done this, and failed, would have precipitated a panic, which for violence, has not been seen since 1873; and whose extent has seldom, if ever been known. It is now the apparently well founded hope of the repeal of this cause of the country's business troubles, that has produced the slight improvement in the situation and the present partial calm. But no permanent and complete restoration of confidence and credit can be possible until this dangerous law, this financial dynamite, is absolutely and finally removed from our statute books. Hence business must remain in a state of extreme and anxious suspense, until this shall be accomplished, with little chance of any general improvement before. All that can be expected is to avert further disaster. The sooner therefore, Congress

is called together the better, so there is no doubt of its prompt and decisive action; and, the comfort of Congressmen, who are responsible for permitting this law to go unrepealed at the last session, either from fear or expectation of party advantage, should be the last thing to be considered. In fact, a little hot weather may facilitate the passage of the repeal; and, a short experience of the heated temperature into which their inaction has thrown the entire business of the country may be a wholesome penalty of their cowardice and partisanship. This much, at least, is due the country, to undo at the earliest possible moment the mischief for which its law makers are entirely responsible.

NO TIME NOR PLACE FOR POLITICS.

Any attempt, however, to make political capital out of the present distress of the country, by either party, would be simply suicidal and little less than treasonable; and would certainly bring its deserved retribution. This is the time and here the place for men to rise above party and party advantage. Those who are endeavoring to weaken the influence of the present administration, which has done all in its rightful power to alleviate the conditions that confronted it when it came into office, by charging this National disaster to its inaction, or its distrust by the country, are in the position of the man who had taken all there was in sight, and then rushed into the street and shouted, "Stop thief," to divert the attention of the plundered and enraged people from himself. It will not do. The country has too lately expressed its trust and distrust of parties, and has learned too well what is the cause of its troubles, and who is responsible for it. The duty of every one now is, without regard to party or even to who is to blame for the present deplorable conditions, to join hands as all patriots did in the Civil War, to save the business of the country, and remove forever the causes, of which the present evils are only the effect. This is what the country demands of an extra session of Congress, and either party that shall attempt to make capital by prolonging the present status will be held to a terrible account hereafter. Rather let party credit be sought in a generous rivalry between them, to show the people which will go furthest in self-abnegation and do the most to relieve their distress, and to bring back the prosperity which has been destroyed by bad legislation at a time and under conditions which would have given this country a most prosperous period. It is now already too late to save the belated spring trade which was unusually delayed by the lateness of the season; and mid-summer dullness is upon us with the recent hot weather. But fall trade can be saved by an early calling of an extra session of Congress. The latter part of July and early August are the months when this

trade begins, and to delay it until September would result in a loss of a good portion beside needlessly prolonging the financial strain.

## THE MONEY MARKET.

Early in the month call loans went begging in the East at 2 to 4 per cent., while banks refused time loans at 6 to 8 for best names, of which plenty were offered, fearing what happened before the middle of the month when the urgent demand set in from the West and kept up till the last week, taxing the combined resources of the New York banks, and compelling the issuing of between five and ten million of Clearing House certificates, with Philadelphia and Boston banks following suit. Simultaneously the rates for call loans ran up daily by the aid of the Bear manipulators in the stock market to 15, 25 and even 40 per cent., although the bulk of the business was done at 6 to 8 and 10 per cent., while time loans were almost unobtainable and commercial paper practically unsalable, the banks having all they could do to take care of their regular customers and rediscount the paper of their Western bank correspondents that demanded help.

This brought in foreign capital, as the rates in London remained low, broke the sterling exchange market, aided by increased offerings of commercial bills against larger exports of wheat, corn, flour, oats and hay, as well as of cotton, to a gold importing basis, and ended for the time, if not for good, the drain of gold for export and the consequent drafts upon the Treasury, whose gold balance has since been increasing, enabling it to anticipate the July interest payments on Government bonds, thus adding some $6,000,000 to the currency in circulation, beside several millions more paid out by wealthy railroads in anticipation of their July dividend and interest obligations. Added to these sources of increased currency supply, the $8,000,000 to $10,000,000 weekly shipments of money to the West that had been going out since near the first of the month began to return, at about the time San Francisco called upon the New York banks heavily for telegraphic and Treasury transfers to meet the run on banks on the Pacific Coast caused by the bank failures there. The wisdom and conservatism, as well as the prompt action of the New York banks in husbanding their resources in May, to be able to help the banks of the rest of the country in June cannot be too highly commended; for their course has averted a violent panic so far in all sections of the country, and confined the disaster for the most part to unsound or too widely extended banks and firms.

At the close of the month the Treasury seems to be out of the woods with improved prospects of continued heavy exports of both food and feed breadstuffs, to make good a large and general

deficit in the crops of Western Europe, owing to drought for the past three months in England, France and Germany. The banks of the East and of the West alike seem to have passed the crisis if not those of the Pacific Coast. The probable repeal of the silver law and the break in sterling exchange is bringing idle foreign capital to our relief and some gold. Increased exports have stopped gold exports and promise to prevent their renewal; and there is a better feeling in both financial and commercial circles, all of which seems to indicate that the worst is over, unless some wholly unexpected and new calamity shall occur to some important interest and precipitate another fright and run upon the banks.

THE SILVER CRISIS AND GOLD MOVEMENT

seems to have reached its acute stage at the close of the month in the action of the Indian Government, suspending the coinage of silver for private parties at all the Indian mints. This was not wholly unexpected, but it was not anticipated at this time, and this sudden move in the direction of a gold standard by the largest silver consuming country in the world next to the United States caused a shock in financial circles that was felt on both sides of the Atlantic, and precipitated a sharp and heavy decline in silver in London and New York that reached the lowest point on record, and left our silver dollar worth but 57c. to 58c. in bullion, and the United States Treasury with a loss estimated at nearly $11,000,000 by Secretary Carlisle, on the price it has paid for the silver bullion now in the Treasury. This served at last to open the eyes of the yet unconverted silver or double standard advocates to the fact that the United States can look for no help in this direction either from Europe or its colonies and dependencies; and that she must be prepared to buy two-thirds of the silver product of the world annually, which was 152,000,000 ounces last year, or that part of it consumed by India, which was 45,000,000 ounces last year, in addition to 54,000,000 taken by our Government, which has now 124,292,532 ounces of silver bullion locked up in its Treasury vaults. Not only has India stopped the coinage of silver, but she has been accumulating gold for a long time and either hoarding it or using it in a manner that can be made available for money as would appear from the Washington correspondence of the *Evening Post* of June 27th, which says:

A rough estimate from trustworthy statistical sources shows that the excess of imports of gold into India over exports from 1835 to the present day would probably foot up not far from $800,000,000, while the proportion of that amount used for coinage has been a mere trifle. Banking is unpopular among the natives, but their gold has been used for ornaments or hoarded in chests and treasure vaults. It would not be surprising, therefore, to find three-quarters of a billion dollars worth of

gold in jewelry, bric-a-brac, and English and Australian coin among the wealthy natives of India who have collected it from time to time in such forms as would be readily merchantable whenever silver should pass out of the coinage and gold become the single standard.

It is worthy of note in view of the downward course of silver that on the total amount we have purchased since the Government became a regular buyer, we have, at to-day's prices, lost $109,500,000.

If these last figures are correct, it is but a question of time when our present policy will bankrupt the Government itself, and this enormous loss is sufficient for this country to stop in its efforts to convert the rest of the world to a double standard until its great commercial countries will co-operate, as the late Brussels Conference showed they are determined not to do.

In this connection the gold and silver exports of this country compared with a year ago, since January last, is instructive: Exports of gold from New York since January 1, $68,700,949; silver, $4,728,618; against $39,699,192 gold and $11,031,206 silver; for the same period in 1892. Imports of gold were $28,306, of silver $7,200 from South America. Since January 1: Gold, $6,155,150; silver, $1,251,570; against $6,262,133 gold and $790,821 for the same time last year.

## THE STOCK MARKET

has been under the financial harrow, as a matter of course, when every other class of business is in distress and a Bear market has been the result, with steadily shrinking prices, as the distress continues and liquidation is forced. The only exceptions have been when the financial outlook improved for a moment, and the shorts covered. But no sooner did the sun go under the clouds again, as it has, after every temporary breaking away, than prices resumed their downward tendency accelerated by the uncovering, every now and then, of some new, weak and unsuspected spot. The Industrials have been the chief source of weakness, as they have, for months, and will continue to be, until the passage of National laws that shall put the management of these enormous and irresponsible corporations under check or control or, render them harmless by destroying their monopoly of the necessities of life. The Reading sore has also been reopened by the refusal of a large number of the bondholders to submit to the Reorganization plan, that leaves the property in the same slough of debt as before, which is so deep that assessments can never fill it up; and, the sooner a large portion of its enormous capitalization is wiped out the better: for this must come in the end to many of its securities that are only worth the price of old paper. Either this, or it can be left in the hands of receivers, where it should have been when it was last reorganized, and the present status be retained. But the sale of its coal pledged to banks is not likely to realize what is expected; if the talk in the coal

trade is by the facts. This is to the effect that it has no such amount of coal mined as has been pledged as collateral, namely 1,500,000 tons, nor even 1,000,000 tons, for the reason that it has not "pockets" nor terminal storage for any such amounts of coal, and that the banks will have to wait for their "collateral" to be mined before they can sell it at auction or otherwise. The Southwestern stocks have been the next weakest on the list led by the Atchison and the Missouri Pacific, both of which are believed to be on the road to receiverships, otherwise the railroads of the country seem to be in as good condition as usual, as their earnings are good on freight traffic though passenger earnings are falling off, except to the World's Fair, on account of the general financial distress of all classes the country over. But rates are generally well maintained and the outlook hopeful. London has been a fair buyer and may give still further support, if the silver repeal outlook continues to improve.

## THE IRON AND COAL TRADES.

The condition of the iron trade of the North generally is shown by the following dispatch from Detroit, Mich., June 27—"A *Free Press* dispatch from Ishpeming, Mich., says that word has been received here from the owners of the Republican Iron Mine to close down for two months beginning July 1. The Bond and Cleveland Mine, employing 700 men, will be closed indefinitely. It is said that before long 75 per cent. of the iron mines in the Lake Superior region will close because of the dullness in the iron-ore market." Comment is unnecessary, except to say that accumulations of ore are heavy and sufficient to supply the demand, which, like that in every branch of business, is from hand-to-mouth. Yet, in the face of such a condition of the manufacturing industries of the country generally, and of the financial distress among commercial classes, and decreased employment among the industrial masses, the coal combination adopted the narrow and short-sighted policy of advancing prices at the last meeting of their coal agents instead of letting them down as usual in the summer months. This is bad management from the standpoint of self-interest even, and inexcusable from every other. Such exhibitions of utter disregard for the interests and rights of other industries and of the public, are not calculated in times like these to soften the natural antagonism of the community to great corporations; and should hostile legislation follow as the fruit of this indifference, the howls of its authors will fall on equally indifferent ears. Yet the very effort to hold prices at this unnatural level is likely to defeat it and furnish its own remedy in the forced sale of the enormous accumulations of the Reading, by which alone, prices could be maintained, and on which the

banks have loaned money that is wanted in legitimate channels and should be called in, as now seems probable, and forced sales at auction be compelled. Had it not been for the attempt in New York and Philadelphia to corner the coal market, and in Chicago to corner wheat, at least $20,000,000 more money would have been available for the accommodation of legitimate business, and the tiding over of solvent banks, manufacturers and merchants who have already been forced to the wall for want of usual bank accommodations.

H. A. PIERCE.

## FINANCIAL FACTS AND OPINIONS.

*The Bankers' Panic.*—The *Iron Age* in an editorial with the annexed caption accuses the banks of withdrawing their credits without reason and thus plunging individuals and companies of unquestioned soundness into bankruptcy. More than one well managed concern, and possessing abundant capital, has failed within the last two months in consequence of the withdrawal of the credits which have usually been promptly granted. They had never for a moment supposed that credits were to be denied to them, and had made no preparation for the unwelcome event. The only thing left for them to do, notwithstanding the possession of abundant assets, was to appoint a receiver and thus secure time and insure fair treatment to all their customers. The banks in too many cases of late have shown as much ignorance and groundless fear in withholding credits as in other cases they have been not less ignorant and hasty in granting them. As we have elsewhere shown, one of the worst faults in recent banking has been the granting of credits without making proper inquiry concerning the security or ability of borrowers to pay. Money lending has been too much a matter of faith instead of an exercise of reason. Now, the frightened banks are going to the other extreme, and are refusing credits to individuals and corporations which are just as worthy of them as they were months ago. This is not only a senseless, but most destructive way of doing business and must create much bitter feeling between banks and their customers. If this experience shall lead banks in the future to be more considerate in making loans this will be a great gain. Certainly this is the lesson of all lessons which should be impressed on them by these events.

*Lending of a Bank's Resources to One Man.*—In ascertaining the causes of some of the recent bank failures the unwelcome fact has appeared that a large portion of the resources of the bank was loaned to one or two individuals. So long as they were suc-

cessful the bank prospered, and their failure brought their bank to ruin. This was the case with the Plankinton Bank at Milwaukee. One man owes the bank $230,000, and the capital stock of the bank is only $200,000. This favored customer suddenly failed with debts amounting to $750,000, and, of course, the bank which had stuffed so much of its money into this one man's pocket had to go down. Such a method of conducting the business of a bank is reckless, and almost certain to end in disaster. A banking institution is not designed to be run for the benefit of any one customer, but for the accommodation and help of the business community. Besides this it is unfair to the other customers of a bank to give such a preference and such an enormous credit to any single individual or any business enterprise. The larger the number of solvent customers a bank has the better for its prosperity and safety. Its loans should be distributed, not concentrated in one place, or vested in a single security or business undertaking. This is not the only bank whose resources have been lent in this manner. Of course the practice is illegal, but the law in many cases has proved worthless in this regard. Again and again has this happened. It would seem as though directors ought to have learned by this time that this provision of the law ought to be respected. Generally, wherever a one-man's bank exists it is known by the community and the true corrective, or at least an efficient corrective, it would be to keep away from it. Depositors have a remedy in withdrawing their deposits, or of putting them in other banks. If this remedy was applied there would be fewer bank failures of this nature.

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*Bank Collections.*—Judge Arnold, of the Court of Common Pleas of Philadelphia, has rendered a decision concerning the collection of a draft which is of considerable interest to bankers. Crane, Purvis & Co., of Washington, sent a draft for $1,990 to the Keystone Bank, of Philadelphia, for collection. The Fourth National Bank paid the draft through the Clearing House to the Keystone Bank on the day that bank failed. When settlement was made that day it was found that the Keystone was short over $47,000, including this draft. The firm of Crane, Purvis & Co. had sent the draft for collection in good faith, and argued in court that it should not be classed with the other creditors of the bank and made to take its chances with them. But the court says otherwise. The general rule is, if a draft or check is sent by a non-depositor to a bank for collection it is an agent for collecting the money, and which is held, after it has been collected, in trust until it is transmitted to the person from whom the draft came. If the person depositing the draft is a depositor then the law presumes that, after the collection is made and the money is retained, the

agency relation has been succeeded by that of debtor and creditor, in which case the rights of the depositor are the same as those of any other depositor. From the report published it appears that the owners of the draft were non-depositors; and, if so, we are unable to perceive why the money which had been collected should not be regarded as held in trust for the firm which sent the draft. Unless the facts show that they were depositors, or that the money was to be kept as a deposit after its collection by special agreement, the decision is contrary to the general rule.

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*State Banks* v. *National Banks.*—There is one comforting feature amid the gloom cast by the failures of so many National banks; namely, that the note holders will not lose a dollar. Suppose these institutions had been the old-fashioned State banks with several millions of currency in circulation, what a different state of things would have existed to-day! Everywhere the pockets of people would have been filled with their notes, the redemption of which would have been doubtful. This is one of the strong reasons for continuing the National bank system. Whatever imperfections there may be the holders of National bank notes are perfectly secured. Yet the opinion is growing, especially in the South and West, in favor of repealing the ten per cent. tax on the notes of State banks and thus preparing the way for a return to the old system. Yet there are journals and individuals in those sections who clearly perceive the evils that will follow the revival of the system. In a recent number of the Galveston *News*, one of the most influential and intelligent journals in the South, the editor says:

The importance of the indorsement given by the Australian premiers lies in the fact that they recommend the adoption of our system of banks as a remedial agency to meet the requirements of a situation dreadfully distorted and upset by the ill working of precisely that system of banking *some of our thoughtless political friends are anxious to force upon us.* Australia has had banks of issue—State banks—subject to no inspection or outside control, and it is needless to add that the finances of no other country on the globe are at present in such hopeless entanglement as are those of Australia. The time is drawing rapidly near when our finances and politics must be entirely separated, when the independent State-bank-of-issue man must take a back seat with the Greenbacker, and the Democrat cease from worrying over the fact that in order to have a great money center he must give up some of his prejudice against centralization. The *News* does not pretend to say just how all this will be brought about, but it knows that the National bank system has shown itself to be good and sound by the actual test of years of experience, and that the next step is only a short one toward the perfection of our monetary system. It is not forgotten that the National debt, upon which the present bank system is based, is being liquidated, and that some other basis must be provided. But that will adjust itself. It may be, indeed, that a system of banks, based upon

State bonds guaranteed and made uniform by National hypothecation, may be constructed to preserve the uniformity and stability of the present system.

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*An Excellent Re-appointment.*—Governor Rich, of Michigan, has re-appointed Mr. Sherwood, the efficient head of the banking department of that State. He has been in the service a goodly number of years and his fitness has been well tried. The Detroit *News* thus remarks: The history of Mr. Sherwood's official career that is unwritten in reports, but that is still sufficiently known to people who endeavor to follow such things, reflects much credit upon the re-appointed commissioner for good judgment and honesty of purpose. The best that a banking commissioner will do will not make a banking system perfect so long as it has to reckon with dishonest men in the business. There is no discounting a liar or a thief. But an efficient commissioner can make it more and more difficult for both of them to operate, and this, we believe, Mr. Sherwood has been doing every day of his terms.

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*New Jersey Savings Banks.*—The report of George S. Duryee, Commissioner of Banking and Insurance, shows twenty-five savings banks in the State. Their resources Jan. 1, 1893, were $39,776,787, while the amount due depositors on the same date was $36,488,246. The surplus was $3,155,339. The deposits have increased about $3,000,000 during the year 1892. The number of depositors on Jan. 1, 1893, was 140,772; number of accounts opened during the year 34,519; amount deposited $21,172,282; amount withdrawn $19,582,132; interest credited $1,031,367. The report contains a table giving the aggregate resources, deposits and surplus of the savings banks for each of the last twenty-five years, which shows that the amount of deposits has steadily increased. In 1869 it was $11,551,369. From that time the amount steadily increased until 1877, when it was $31,974,316. In 1878 it dropped to $15,851,490, about 50 per cent., and the next year there was a further decrease. Another change then took place and the deposits swelled to greater volumes each year, until at present it is $36,488,246.

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*Usury.*—An interesting case of usury has arisen in Illinois. By the law of that State interest on loans is limited to seven per cent., except to corporations, which are permitted to pay whatever rates they please. It has been held, therefore, that an agreement by a corporation to pay eighteen per cent., or any other rate of interest, may be enforced. The law regulating the authority of National banks to reserve interest provides that a bank may charge seven per cent. when no rate is fixed by the State, but whenever a State rate does exist the bank may charge that rate, whatever

it be. It would seem that a corporation in Illinois has a right to agree to any rate with a National bank, as it clearly can do this with a State bank, but the Supreme Court of that State has just decided otherwise. If the decision is correct the National banks are in a curious plight. The State banks may make any agreement they please with corporations concerning the rate of interest while the National banks are restricted to seven per cent. Is there any reason why fish should be made of one class and fowls of the other? The case has been appealed to the Supreme Court of the United States and the decision of that tribunal will be awaited with interest.

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*The Currency Crisis in the United States.*—Mr. Moreton Frewen has written an article for the June number of the *Fortnightly Review* describing the currency crisis in this country in which he ascribes the present condition of things to the Sherman act. He says:

The Act of 1890, which will be forever associated with the name of that distinguished financier, Senator Sherman, of Ohio, is doing the work predicted by its opponents, and is expelling gold with a celerity and thoroughness few of us expected. The purchases of silver under the Bland Act of 1878 were issued in the form either of legal-tender silver dollars or of notes which were not legal tender. These silver purchases then could only displace gold by first inflating the currency, by raising the entire level of prices in America, and, in this way, increasing her imports till gold flowed away; but it is far otherwise with the present purchase of 4½ million ounces of silver monthly under the conditions of the Sherman Act—this mass of silver is added to the volume of legal-tender money in the United States, not in the form of silver certificates, but as legal-tender bank notes, which notes the Treasury, albeit quite gratuitously, insists on paying on demand, not in coin, but in gold. The Sherman Act is accordingly being manipulated in the most open manner by Wall Street speculators, who, having collected these notes, are able to raid the Treasury gold reserves whenever their "short interest" is large enough to justify a "slump" in stocks generally. Terribly exposed as is the gold reserve of the Bank of England, in this case, at least, by raising bank rates, the "old lady of Threadneedle Street" can profitably transfer the entire peril and the entire loss from herself to her customers; but the United States Treasury has no such remedy, and the Sherman Act may fairly be described as an Act for the better security of the Wall Street "bears," who, since its passage, have made enormous profits notwithstanding the prevalence of good times in the United States! Ten million dollars of legal tenders, collected by private operators during a few days, are a demand draft on the Treasury for ten millions of gold; the mere announcement that this gold is about to be shipped is sufficient to create a money panic and those vast profits which a panic so safely secures.

This is a strong description of the evils from which the country is suffering in consequence of this piece of legislation. Mr. Frewen, while thus opposed to this act is also a profound believer in the world's necessity of using silver, and ascribes the shrinkage of prices to the demonetization of the white metal. After a long

period of unrestricted coinage of both silver and gold, in 1875 the free coinage of legal-tender silver money was stopped by the United States. Mr. Frewen asserts that only a very few persons were aware of the enormous scope of the changes contemplated by thus discontinuing the coinage of silver. The financial and industrial world has now tried this experiment for eighteen years. It was predicted by Seyd, Laveleye, Cernuschi, and Wolowski, that it would cause a depression of prices, and have not their predictions been fulfilled? Mr. Frewen asserts that the present crisis can certainly be best explained on the theory of a diminishing currency. This conclusion from the demonetization of silver is not so clear to all as it is to him, and for the reason that the place of silver has been supplied with other currency. There has been no real contraction. Had there been, then it may be admitted that the decline in prices might have been more easily explained in that manner, but the figures clearly show that, with respect to our own country especially, there has been a constant increase in the quantity of money, and while this increase has been perhaps greater here than in some others, there has also been an increase in nearly all of the European countries. It is not true, therefore, that whatever evils may have resulted from the demonetization of silver there has been a contraction of the currency and a consequent decline of prices. The decline must be ascribed to other causes. It is true that the world has not outgrown the use of silver, and serious evils have arisen in consequence of demonetizing it, and which will be felt more keenly in the future, but the decline in prices is not one of them. Nevertheless, why should not the use of silver be continued at its real valuation in preference to paper money which is based purely on faith or confidence?

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*Savings Banks Failures, East and West.*—It is a noteworthy fact that while there have been some failures of savings banks in the West and many runs on others which happily have withstood them, not a single savings bank in the East has failed. There was a run a few days since on a savings bank in New York in consequence of the peculations of its officers, but happily they had not taken enough to impair its solvency, and so the run speedily ceased. But in the West failures and runs have occurred in many places. The reason is that the Western savings banks, though thus called, are really different institutions from the Eastern ones bearing the same name. The Eastern savings bank is purely a bank of deposit. Having no stockholders, it is managed solely in the interest of the depositors, and loans are carefully guarded by law. In the West, however, these banks are stock affairs and are run primarily in the interest of the stockholders, and greater risks are taken. The Western savings banks have made

more money, but the Eastern have been more conservative and have met with fewer losses. This is the reason why many of the Western savings banks have failed in these times.

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*Assessments on National Bank Shareholders.*—Comptroller Eckels has established a new rule in assessing the shareholders of failed National banks. Instead of waiting until all the assets have been collected and applied to discharge the liabilities of the bank, he has adopted the rule of making the assessment for enough to cover the supposed deficiency as soon as this can be ascertained. If the assessment should prove too large, or more than enough to pay the liability of the shareholders, the excess will be returned to them, otherwise it will all be applied as the law prescribes. This rule has been enforced in the case of the Commercial National Bank of Nashville, which failed about the first of March, having a capital of half a million with liabilities exceeding a million. Of course this rule will excite strong opposition. The reason for adopting it is to prevent shareholders from disposing of their property in order to escape the payment of the assessment. As a year or two often passes after a bank has failed before an assessment is ordered, shareholders who are so inclined can get their property out of sight and thus evade the legal requirements. By pouncing on them speedily it is expected that they will not be able to evade their legal liability. The requirement, however, is very harsh, and it doubtless will be a serious strain on many a shareholder, as the loss sustained by him will doubtless be all that he can bear without immediately increasing the burden by an assessment of this character. In many cases doubtless if intending to pay, he could do so more easily if time was given to him. Regarding this rule solely from the creditors' point of view, they are likely to get more than they did before, for probably shareholders, on some occasions, have sold or transferred their property during the settlement of the affairs of a failed bank to escape further liability.

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*Reciprocity.*—The report of the Bureau of Statistics shows that for a period of twenty months under reciprocity compared with twenty months before reciprocity there was an increase in our domestic exports to Cuba of $16,217,552, and an increase of our imports from Cuba of $17,557,470. In our trade with Brazil our domestic exports for twelve months show an increase compared with the last twelve months preceding reciprocity of $1,095,796. This, however, is relatively a large loss, for for three years before the reciprocity treaty went into operation the annual increase of our domestic exports to Brazil was over two million dollars. While our domestic exports to Brazil were increasing a little more

than a million dollars, our imports from Brazil show an increase of $39,255,024. Twenty months of reciprocity with Porto Rico shows an increase of our domestic exports of $622,936, and a decrease of our imports of $414,825. Twenty months of reciprocity with San Domingo shows an increase of $604,330 in our imports, and $262,555 in domestic exports. Our domestic exports have fallen off to all other countries with which we have reciprocity arrangements as follows: Germany, fifteen months, $12,409,607; Austria, eleven months, $930,347; Salvador, fifteen months, $258,077; Nicaragua, twelve months, $495,219; Guatemala, eleven months, $110,846; Honduras, eleven months, $58,997; British West Indies, fifteen months, $944,229; British Guiana, thirteen months, $58,227.

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*Product of Gold and Silver in* 1892.—The effect of the precious metals produced during 1892 on the monetary policy of the world is discussed in an interesting manner in a recent French magazine by Arthur Raffalovich. The increase in the price of silver since 1861 is shown in the following table:

| *Years—* | *Increase of Production. Ounces.* | *Annual Averages. Ounces.* | *Decline of price. Pence.* | *Annual Av'ages. Pence.* |
|---|---|---|---|---|
| 1861–73 | 27,800,000 | 3,000,000 | 2.25 | 0.18 |
| 1873–76 | 5,500,000 | 1,800,000 | 6.50 | 2.18 |
| 1876–78 | 5,700,000 | 2,800,000 | 6.50 | 2.18 |
| 1878–83 | 15,700,000 | 3,100,000 | 6.25 | 0.44 |
| 1883–89 | 36,300,000 | 6,000,000 | 7.75 | 1.29 |
| 1889–91 | 18,100,000 | 9,000,000 | 5.00 | 2.50 |

The fall in the price of silver began in 1861, caused by the demonetization in Germany and the discontinuance of the coinage by the Latin Union. The operation of the Bland silver law has absorbed two-thirds of the increased production from 1878 to 1883, nevertheless the decline in price has continued.

"Whatever may be said to the contrary," says Mr. Raffalovich, "the fall of silver is due to an excess of production of the mines of the United States under the influence of laws which stimulate it by furnishing it a privileged market." Mr. Raffalovich thus seems to put our silver legislation in the position of depressing instead of elevating the price of silver. He is evidently of the opinion that bi-metallism is a doubtful experiment in view of the great fluctuations in the relative production of gold and silver in recent years. He says upon this subject:

"With respect to bi-metallism, it must not be forgotten that the annual production of silver during the last thirty years rose from £8,000,000 to £20,000,000 while that of gold fell from £27,000,000 to about £21,000,000. Hence, therefore, a decrease of gold while the production of silver more than doubled. If, therefore, the annual production of two important metals has been so variable, it is scarcely possible to establish a fixed ratio between them by artifical arrangements. Neither must it be lost sight of that gold and silver are used for other purposes

than coinage; their use for other purposes is enormous. Is it conceivable that a fixed ratio can be maintained between two metals in their use in the arts? If not, it seems evident that it cannot be done in their use in coinage. Sir John Lubbock, therefore, does not believe that England will become bi-metallist. The adoption of a gold standard for India would not produce the desired effect, unless the rupee, at present a standard coin, were reduced to a simple divisional coin, like the fractional coin of England.

"This would also necessitate the closing of the mints to the coinage of silver. This measure would be opposed by all those who believe in the appreciation of gold, because its tendency would be to create a new and considerable demand for gold which would increase its value. In other words, lower prices in gold. Moreover, this question of the closing of the Indian mints should be discussed solely from the Indian point of view. Without closing its mints, it is well to inquire whether the Government of India might not impose a coinage duty, although not so high a one as exists in England."

The production of gold in South Africa, from the districts of the Witwatersrandt, Mr. Raffalovich gives for the last six years as follows:

| *In—* | *Ounces.* |
|---|---|
| 1887 | 34,897 |
| 1888 | 230,917 |
| 1889 | 379,773 |
| 1890 | 494,783 |
| 1891 | 729,225 |
| 1892 | 1,210,865 |

Mr. Raffalovich quotes Mr. Hamilton Smith, the American mining engineer, regarding the South African deposits, and says that Mr. Smith calculates the auriferous basis at fifty miles in length and its subterranean depth at fifteen miles. He examined the mining operations over a length of 11 miles, which have rewarded the 36 companies with a yield of 1,910,000 ounces or £6,700,000. This, according to him, is an unprecedented result. A depth of 600 or 700 feet has been already reached, and the wealth of the mines has not diminished. He makes a conjectural calculation according to which the Randt may yield 215 millions of pounds sterling. We know that in 1849 the annual total production was only 6 million pounds sterling, in 1853, 30 millions, and from 1853 to 1883 an average of 19 millions a year.

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*Mortgage Indebtedness of the States.*—The following from a census bulletin just issued shows the per-capita mortgage indebtedness of the States so far as the statistics have yet been tabulated:

| | | | |
|---|---|---|---|
| Alabama | $ 26 | Nebraska | $126 |
| Connecticut | 107 | New Hampshire | 50 |
| Illinois | 100 | Oregon | 73 |
| Indiana | 51 | Pennsylvania | 117 |
| Iowa | 104 | Rhode Island | 106 |
| Kansas | 170 | Tennessee | 23 |
| Maine | 49 | Vermont | 84 |
| Massachusetts | 144 | Wisconsin | 72 |
| Missouri | 80 | | |

In the ratio between the debt and the estimated true value of all taxed real estate the following is the showing:

| | *Per cent.* | | *Per cent.* |
|---|---|---|---|
| Alabama | 10.96 | Nebraska | 24.58 |
| Connecticut | 20.14 | New Hampshire | 11.68 |
| Illinois | 14.06 | Oregon | 8.11 |
| Indiana | 9.79 | Pennsylvania | 18.91 |
| Iowa | 17.61 | Rhode Island | 12.13 |
| Kansas | 28.13 | Tennessee | 8.67 |
| Maine | 13.28 | Vermont | 19.21 |
| Massachusetts | 19.42 | Wisconsin | 12.46 |
| Missouri | 16.15 | | |

## STATE BANK SYSTEMS.

[CONTINUED.]

The charter of the bank was to run twenty years, and would expire in 1836. It was well known that the President was opposed to its renewal. Although it was confidently believed that both branches of Congress were in favor of renewing it, a two-thirds vote would be required to pass it over the President's veto, and it was not expected that this number would be in favor of so doing. The fears of the bank were realized in due time; the bill for renewal passed both branches, but was killed by a veto. So the bank ceased to be a National institution at the end of the time limited in its charter; but it was re-incorporated as a State institution, and its history thereafter is to be traced in that of State banking institutions.

*State Banks from* 1816 *to* 1863.—When the second United States Bank was created, the various State banks continued to do business as before. The Government no longer kept its deposits with them; but it did not interfere in their affairs. Of course, the National bank, with its vast resources, overshadowed them; still, they flourished and multiplied somewhat in number. The first noteworthy change in the system of State banking occurred in New England in 1824. In February of that year an attempt was made to induce the banks of Boston to give the bills of country banks the same credit as the banks in the city gave to each other's notes. If they were thus taken, it would be necessary to send them home to be redeemed, unless the country banks should choose to make an arrangement for their redemption in Boston. It was finally agreed among the banks, though not all of them, that each should receive at par in all payments from its customers, the bills of all the banks in good credit in the New England States, thus making country money equal in value to Boston money, and saving to their customers the tax previously levied in the way of a premium for Boston money. The bills thus received were not to be kept for

a long time, nor to be paid out to supply the circulation of the city. Nor was it necessary for each bank to employ messengers to carry the bills home, for an agreement was made that the Suffolk Bank should do this business or procure their redemption in such manner as it saw fit. The country bills received by the other banks in Boston which were parties to the arrangement were paid over daily to the Suffolk Bank, and received, in lieu thereof at par, Boston money. The bills thus received by the Suffolk Bank absorbed a considerable amount of its capital. To indemnify it for exchanging or redeeming the bills of the country banks, the allied banks each lent to the Suffolk Bank, without interest, a sum of money which was considered equivalent to the service performed. This plan of redemption was known as the Suffolk Bank system, and was of vast benefit to the public in facilitating the transaction of business, and in protecting a portion of the community from a constant tax and almost every one from occasional heavy losses. The general tendency of the arrangement was to give to each bank the benefit of the principal circulation of its own neighborhood, and to direct its bills homeward when they had wandered away. The excellence of the system is shown by the fact that it continued for so many years, and became so widely accepted throughout New England. It operated as a check to excessive issues, for this could not be done without the Suffolk Bank's soon finding it out and demanding enhanced security as a condition of redeeming the bills of any bank which was inclined to engage in such business.

The next banking experiment to be mentioned was the Safety Fund system adopted in New York in 1829. This required from each bank an annual contribution of one-half per cent. of its capital to a common fund to be deposited with the State treasurer as a "bank fund" until it amounted to three per cent. of the capital of each bank. This fund was to be applied to the payment of the debts of any insolvent bank contributing to the same; and in case the fund was at any time diminished by payments from it, the banks were again required to make their annual contributions till each had in deposit the three per cent. on its capital stock. For several years the system was favorably regarded, but suddenly ten banks failed with a capital of $2,800,000, causing a loss of more than $2,500,000, besides the entire annihilation of their capital. The result was so unexpected and so serious that the system in that State was abandoned not very long afterward. Had the fund which was raised been appropriated solely to pay bank note holders, it would have been amply sufficient, for at the time of the bank failures mentioned the amount of the fund was $1,876,000. The Comptroller of the State very well said in one of his reports that "banks which enjoy the exclusive privilege of furnish-

ing a currency should be required to contribute something to a common fund to make that currency safe and secure, sums reasonable and proper; but what propriety or justice can there be in requiring the banks to contribute to a general fund to pay to depositors or other general creditors of the individual banks? It is no exclusive privilege of a bank to receive deposits or to contract general debts, and no reason, therefore, is seen why this fund should be applied to them." This criticism led to a modification of the system in harmony with the Comptroller's views.

In 1845 the State of Ohio adopted the Safety Fund system when it established the State bank. This was after New York had abandoned it. The bank had a capital exceeding $4,000,000. It had several branches, supervised by a board of control, which furnished to them all the notes required for circulation. The quantity was limited to double the amount of the capital on the first $100,000; 150 per cent. on the second $100,000, and 125 per cent. on the third $100,000, or part thereof. Each branch had more than $200,000, and therefore was entitled to the full benefit of the above provisions. Each branch was required to deliver to the board of control 10 per cent. of the amount required for circulation, either in stocks of the State or of the United States, or in money, which was to be applied in redeeming the notes of any branch that might fail to redeem them. The system was regarded with great favor in Ohio for many years, yet it was very defective. It created a fund sufficient to give credit to any banking association which might be established for speculative purposes, yet after its notes were fairly in circulation, its capital might be withdrawn, the bank declared insolvent, and the community defrauded. Besides, while the safety fund might be nominally large enough to cover the amount of insolvent bank notes, it was usually made up of bonds and mortgages which were not immediately convertible, and the delay in redeeming the circulation caused an immediate depreciation and occasioned a loss to those who could not wait for the ultimate redemption of their notes. Experience proved that the safety funds thus created in the several States where the system was tried, New York, Indiana, Ohio, Illinois, Arkansas, Michigan, and Alabama, realized only from 50 to 73 per cent. of their nominal value.

The Safety Fund system having proved a failure in New York, the next system was that of free banking, authorized by the Legislature in 1838. As the present National bank system is founded on this, modified and improved by later experience, its origin is worth tracing. It originated with the Rev. John McVickar, D. D., professor of political economy in Columbia College, and is clearly set forth in a letter addressed "to a gentleman in Albany," and published in 1827. The pamphlet is entitled *Hints on Banking*.

Very likely the author had seen a couple of pamphlets written about the close of the war of 1812 in which a somewhat similar plan was vaguely shadowed forth. Dr. McVickar, it will be remembered, wrote this even before the Safety Fund system was established. He ably set forth the evils attending banking at that time, and the true nature of the banking business and of credit. At the close he proposed a banking system the first three provisions of which are these: "I. Banking to be a free trade, in so far as that it may be freely entered into by individuals or associations under the provisions of a general statute. II. The amount of the banking capital of such individual or association to be freely fixed, but to be invested one-tenth at the discretion of the bank, the remaining nine-tenths in Government stock, whereof the bank is to receive the dividends, but the principal is to remain in pledge for the redemption of its promissory notes, under such securities as to place the safety of the public beyond doubt or risk, the stock being made untransferable except by the order of such court as shall be made cognizant of these subjects with a view to wind up the affairs of the bank. III. The promissory notes of such individual or association to bear upon their face the nature and amount of the stock thus pledged, together with the usual signatures, and in their amount never to exceed the amount of their pledged stock, under the penalty of the individual or firm being declared bankrupt and their affairs being wound up under a commission appointed by such court as shall have cognizance thereof; the refusal to redeem their notes being made in itself an act of bankruptcy and followed by the same results." Other provisions followed, but these need not be given.

The plan does not seem to have met with a favorable reception at Albany, but four years afterwards, in 1831, the first fruit appeared in Maryland. A bill was introduced into the Legislature providing for free banking, and that the license to carry it on should be obtained from the Chancellor of the State. The applicant was to exhibit a list of his property, which was to be vested in trust in a person selected or approved by the Chancellor. The deed of trust was to be drawn "in such terms and with such provisions as he may deem most proper for the security of the object of said trust." The Chancellor having approved the deed, the applicant was to receive a certificate from the clerk of the county court of the deposit of the same for record. The next step was for the Chancellor to determine the value of the property described in the instrument, and, having done so, he could authorize the applicant to issue notes not exceeding in amount more than one-fourth the value of such property. Subsequently, in 1834, at a local bank convention held in Baltimore, Charles F. Mayer of that city, who introduced the bill in question

into the Maryland Legislature, made an able report advocating the establishment of a bank having three-fourths of its capital permanently invested in mortgages. A copy of the Maryland bill was transmitted to a member of the New York Senate in 1837, and for several years previously some New York capitalists had possession of it. In 1835 the "Real Estate Bank of Baltimore" was incorporated with a capital of $5,000,000, one-fifth of which was to be paid in money and the remainder to consist of real estate. Thus it will be seen that the free-banking system, which has finally been brought to a high degree of perfection, was slowly formed in the beginning, and was chiefly the work of a college professor, and he a clergyman!

These were the chief banking systems tried in the United States during the period under review. There were various modifications of them, one of which was the establishment of State banks with numerous branches. These institutions were doubtless suggested by the United States Bank, which had branches located in various parts of the Union. One of them we have already mentioned—the State Bank of Ohio. Others existed in Alabama, Tennessee, and elsewhere; two of them deserve special mention—the State banks of Indiana and Illinois. The charter of the former bank provided that each branch should have $160,000, and be mutually liable for the debts of the other branches. No note under $5 could be issued, and the Legislature reserved the right to restrict the amount to $10 within ten years. The capital of any branch might be increased with the assent of the Legislature and directors of the State bank. The directors of the chief bank furnished the circulation, which was limited to twice the amount of the stock. One-half of the capital was owned by the State, for which bonds were issued bearing 5 per cent. interest. The other half was owned by individuals and corporations. Afterward notes for a smaller amount were authorized, and in 1837 it suspended specie payments. It attempted to resume them the next year, but failed; in 1841 it resumed permanently, effected a regular reduction of its debt, which had rapidly accumulated during the inflation of business in former years, and was very successfully managed until the expiration of its charter.

[TO BE CONTINUED.]

## FINANCES OF GREECE.

A few days ago Mr. Tricoupis, who for many years has been a very prominent figure in Greek politics, abandoned his attempt to rescue the Government from its bankrupt condition. Eleven months ago he was entrusted with the power to restore, if possible, the Greek finances to a healthy condition. The foreign debt of Greece amounts to 564,000,000 francs. There is also a debt of 73,000,000 francs, which is due to France, England and Russia, which have guaranteed the independent constitutional Government of that country under King George. It is not expected that this sum will be paid, but 200,000 francs are paid annually to each of the three Powers mentioned. Besides the foreign debt there is an internal debt of 150,000,000 francs, of which 104,800,000 francs are in the form of a forced currency. The remainder is a perpetual loan bearing a 4 per cent. interest. The total debt, therefore, is 750,000,000 francs, and the annual charge for interest and sinking fund about 35,000,000 francs. One-third of this debt is held by the Greeks, and the remainder is held in England and France. For the payment of interest and the sinking fund customs, revenues and receipts from monopolies are pledged. Though the Government reports show an excess in receipts of nearly 30,000,000 drachmas over the amount required for these loans, nevertheless it is not able to meet them. As soon as Mr. Tricoupis came into power he explained his plan for restoring the financial condition of the country. Of the amount of the forced currency above-mentioned 16,800,000 francs are in gold, and 88,000,000 in bank notes. The gold was obtained from the banks, and Mr. Tricoupis proposed to negotiate a loan of 100,000,000 francs which should be employed in paying this gold and in withdrawing the bank note circulation during the next two years. Having a strong majority in the House his plan was adopted and the loan was authorized. An agent was sent to England to negotiate the loan, and those with whom he negotiated sent an expert to Greece to examine the condition of the revenue, and the ability of Greece to repay the loan if made. The English representative has just published his report, which represents an unfavorable condition of Greek finances, but which is due to mistakes in administration rather than to the prosperity of the country. He shows that if the revenues were properly applied the loan might be paid. The negotiations of the Greek agent continued, and lenders were found who, however, desired that some conditions should be attached to the loan of a somewhat novel character. Four directors were to be appointed, three of whom were to be chosen by the English

and French lenders, and the other by the Greeks, who were to sit at Athens to supervise the cashing and transmission to London of the taxes and revenues which were to be given as guaranties for the loan. As soon as these terms were known there was strong opposition to the loan by the Greeks, as this feature was regarded as a compromise or a sale to strangers of the independence of the Government. It was natural that the appointment of a supervisory committee of foreigners should be regarded with displeasure. Mr. Tricoupis was nevertheless desirous of making the loan on the conditions prescribed, but the King, who seems to have a strong regard for public sentiment, is unwilling to complete the negotiations on these terms. The consequence is that this brilliant minister has retired from office at the moment when his endeavors to rescue his country from bankruptcy seemed to be near fulfillment.

## BANK COLLECTION.

COURT OF APPEALS OF MARYLAND.

*Tyson et al.* v. *Western National Bank of Baltimore.*

An indorsement of a draft to a bank "for collection," accompanied by a credit of the amount of the draft upon the indorser's account with the bank, does not transfer to the bank the legal title to such draft, and a correspondent of the bank, who collects the draft for it, is responsible therefor to the indorser.

BRYAN, J.—Tyson & Rawls brought suit against the Western Bank of Baltimore. The facts, so far as they are material, are as follows: The plaintiffs, who were bankers in Greenville, N. C., for two years before the transactions now in question, kept an account with Nicholson & Sons, bankers in the city of Baltimore. They from time to time forwarded by mail, to Nicholson & Sons, drafts, checks, and notes of different persons, and they were indorsed in this manner: "For collection for account of Tyson & Rawls, Greenville, N. C." Nicholson & Sons would at once pass to the credit of Tyson & Rawls upon their ledger account, as cash, all checks and sight drafts, and would promptly inform them by mail of the amount of such credit. Tyson & Rawls were entitled to check against such credits as soon as they were entered, and Nicholson & Sons treated and used as their own property the sight drafts and checks so credited, in the same manner as if they had been deposited over their counter in the ordinary way; but Tyson & Rawls did not know, and did not inquire, how Nicholson & Sons treated and dealt with such drafts and checks. If any of the sight drafts or checks which were credited as cash were dishonored by the parties on whom they were drawn, Nicholson & Sons would charge the account of Tyson & Rawls with them, and give them notice by mail. When promissory notes or time drafts were mailed to Nicholson & Sons they were not entered to the credit of Tyson & Rawls until they had been collected. There was no special agreement between these parties in regard to their relations with each other, except such as arose from their course of dealing. On the 9th of January, 1892, Tyson & Rawls forwarded to Nicholson & Sons a check of P. E. Braswell on the State Bank of Commerce, Hendersonville, N. C., for $400, payable to the order of Jarvis & Blow. They had discounted this check, and they indorsed it for collection for

their account. Nicholson & Sons credited it to them as cash, and so informed them by mail, and indorsed it for value to the Western National Bank of Baltimore. The bank collected the check on or about the 24th of February, 1892, and it retained the proceeds as its own property. On the 11th of January, 1892, Tyson & Rawls forwarded to Nicholson & Sons a sight draft of J. C. Cobb & Bros. on Cobb Bros. & Gillian, of Norfolk, Va., for $800. They had discounted this check, and they indorsed it to Nicholson & Sons for collection for their account. Nicholson & Sons credited it to them as cash, and so informed them by mail, and indorsed it for value to the Western National Bank of Baltimore. The bank collected the draft on the 14th of January, 1892, and it holds the proceeds as its own. Nicholson & Sons failed on the 14th of January, 1892, subsequent to their indorsement of the check and draft to the Western National Bank; but they were insolvent at the time they received the check and draft from Tyson & Rawls, and, upon a proper investigation of the business, this fact would have been apparent to the surviving partner, who had charge of the affairs of the firm, but it was not known to Tyson & Rawls nor to the Western Bank. Nicholson & Sons had an account with the Western Bank, in which the check and draft were credited as cash. They overdrew their account, and have never made it good. Tyson & Rawls never checked to the full extent of their credit with Nicholson & Sons, but always kept a balance in their favor, and, at the time of the failure, had a balance greater than the amount of the proceeds of the check and draft in question. It is admitted that both parties to this suit have acted in good faith in all of their dealings in the matters now in issue.

It is well settled that, when a customer of a bank deposits money to the credit of his account, the money becomes the property of the bank. The customer is creditor, and the bank is debtor, with all the ordinary incidents belonging to that legal relation. There is no fiduciary connection between them. The depositor parts with his money, and the bank contracts an obligation to pay such checks as he may draw, to an amount not exceeding the sum deposited. The consideration which the depositor receives for his money is the absolute and unconditional contract by the bank to pay his checks to the extent of his deposit, and the same rule obtains in the case of checks, drafts, and promissory notes, wherever, under the circumstances of the case, it is applicable, that is to say, wherever the bank becomes the owner of the commercial paper, and the customer acquires the unconditional right to draw for the proceeds. When a check, draft, or promissory note is indorsed in blank, or to the order of the bank, and the proceeds credited to the depositor as cash, the bank becomes the owner of the paper by virtue of the indorsement, and, in case it is not paid at maturity, it has the ordinary remedies which belong to the indorsee of instruments of this character which have been dishonored. In the present case the check and draft were deposited with Nicholson & Sons with an indorsement in these words: "For collection for account of Tyson & Rawls." This indorsement was not adequate to pass to Nicholson & Sons the title to these papers. It has been so held by this court, and the Supreme Court of the United States, and other courts. In *Sweeny* v. *Easter*, 1 Wall. 166, it was said: "The words 'for collection' evidently had a meaning. That meaning was intended to limit the effect which would have been given to the indorsement without them, and warned the party that, contrary to the purpose of a general or blank indorsement, this was not intended to transfer the ownership of the note or its proceeds." In *White* v. *Bank*, 102 U. S. 658, it was said: "The plain meaning of it [the indorsement] is that the acceptor of the draft is to pay it to the indorsee for the

use of the indorser. The indorsee is to receive it on account of the indorser. It does not purport to transfer the title of the paper or the ownership of the money when received. Both these remain, by the reasonable and almost necessary meaning of the language, in the indorser." The same meaning was attributed to such an indorsement in *Cecil Bank* v. *Farmers' Bank*, 22 Md. 148. It would be superfluous to make further citations on this point. The indorsement did not pass the title, and no other way has been shown in this case by which it could have been passed. Entering the amounts represented by these papers as cash, to the credit of Tyson & Rawls, is very far from having such an effect. It was the clear understanding that this was not an absolute and unconditional credit, but that it was to be charged back to the depositors in case the paper should not be paid at maturity. The paper was not sent to Nicholson & Sons to be discounted, or to be purchased by them, but it was intrusted to them as agents to collect it; and Nicholson & Sons could not treat it as a discount or a purchase, except by making an agreement to that effect with their correspondents. It probably suited their mutual interest and convenience to make these qualified entries. The depositaries probably had sufficient confidence in the pecuniary ability of these depositors to give them a credit for the short time that would intervene before the maturity of sight drafts. It is a very common practice with bankers to deal in this manner with their customers who are in good credit. In the argument, this entry was likened to a collection of the commercial paper by the depositary. It was not in point of fact a collection, nor was it similar in its effects and consequences. When a collection is made, the proceeds are placed absolutely and unconditionally to the credit of the depositor, and he is no longer under any responsibility on account of the paper deposited, as that question has been irrevocably settled by payment. In point of fact, when collected, the paper has lost its vitality by the settlement and satisfaction of all rights which can arise from it. It would have been perfectly competent for Nicholson & Sons to agree with Tyson & Rawls that they would consider this paper as collected, pay them the amount of it, and relieve them from all responsibility on account of it. But no such agreement was made. Their contract was entirely different. If the paper had not been paid at maturity, it would have been charged back to Tyson & Rawls. It would be very unjust to hold Tyson & Rawls responsible for the contingency of non-payment of these instruments, and at the same time to hold that they had lost all interest in them by a sort of constructive and metaphysical collection. It may be objected that, as the check and draft were actually paid at maturity, the contingent responsibility of the depositors has not accrued. But we must judge of legal rights by the state of the facts which exist at the time they arise, and not by events which occur afterwards. One circumstance existing at the time will show the value of the cash entry as a consideration for the transfer of the check and draft: Nicholson & Sons were insolvent when the deposit was made, and they knew or ought to have known their pecuniary condition, and, as a matter of course, that the credit entry of cash was a mere delusion.

Upon the whole, it appears to us that the title to these papers did not pass to Nicholson & Sons. There has been much apparent conflict between the authorities on the questions which we have discussed, but the conflict is more in appearance than in reality. In most, if not all, of the cases which have held that when checks, drafts, and promissory notes have been deposited with a bank, and credited as cash to the depositor, the title to the negotiable paper has passed, it will be found that it was either indorsed in blank or made payable to the banker. On the face of

the paper he was owner, and, in case it was dishonored, he had his remedy against the depositor as indorser. The opinion in *Bank* v. *Hubbell*, 117 N. Y. 384, 22 N. E. Rep. 1,031, contains a very clear and convincing exposition of the difference between the rights of the banker in case of such deposit and one where the paper is indorsed for collection; and even in case where a sight draft was deposited, payable to the order of the bank, and was credited as cash, it was held by the Supreme Court of the United States that the title to the draft did not pass, because the accompanying circumstances showed that it was not so intended; and the court said that "the property in notes or bills transmitted to a banker by his customer, to be credited to the latter, vests in the banker only when he has become absolutely responsible for the amount to the depositor," and that "such an obligation, previous to the collection of the bill, can only be established by a contract to be expressly proved, or inferred from an unequivocal course of dealing." (*Railway Co.* v. *Johnston*, 133 U. S. 566, 10 Sup. Ct. Rep. 390.) The terms of the indorsement of the check and draft in this case gave legal notice to all persons receiving them that Tyson and Rawls were owners of the papers, and that Nicholson & Sons were merely agents for collection. (*Cecil Bank* v. *Farmers' Bank*, 22 Md. 148.) The Western Bank could therefore acquire no title by the indorsement made to it, and is responsible to Tyson & Rawls for the proceeds collected.—*Atlantic Reporter.*

## LOAN—COLLATERALS.

COURT OF APPEALS OF MARYLAND.

*President and Directors of Franklin Bank of Baltimore* v. *Harris et al.*

On borrowing money from a bank, the borrower deposited stock as collateral security, and gave a demand note providing that if he should come under any other liability, or enter into any other engagement, with said bank, the net proceeds of the sale of the pledged stock should be applied, either on this note, or any of his other liabilities. *Held*, that only future liabilities were contemplated by the parties, and that the stock could not be held as security for a responsibility which had accrued nearly five months before making the pledge.

Where a pledgee of stock refuses to surrender it on demand and tender of the debt it was pledged to secure, the pledgor's measure of damages is the value of the stock on the day that the tender and demand were made, less the amount tendered.

BRISCOE, J.—These are cross appeals. The action was one of trover, brought by the assignees of Thomas J. Wilson against the president and directors of the Franklin Bank of Baltimore, to recover the value of certain securities deposited by him as collateral with the defendant corporation. There was no dispute about the facts, and they are as follows: On May 14, 1890, Thomas J. Wilson borrowed of the bank $2,000, for which he executed and delivered to it a demand note, depositing at the same time, as collateral security for its payment, 80 shares of Bellaire, Zanesville & Cincinnati Railroad Company preferred stock, and $2,000 of Oskaloosa water bonds. The note contained this provision: "It is also agreed that if I shall come under any other liability, or enter into any other engagement, with said bank, while it is the holder of this obligation, that the net proceeds of sale of the above securities may be applied either on this note, or any other of my liabilities or engagements held by said bank, as its president or cashier may elect." Wilson afterwards became insolvent, and made an assignment to the plaintiffs for the benefit of his creditors, who qualified as trustees. These trustees

tendered the amount of the note, with interest to date of tender, and demanded the note, and the securities which had been deposited as collateral. The bank, however, refused to make a surrender of the securities, claiming to hold them as collateral for a note of one Charles D. Gaither, dated December 30, 1889, for $1,451, which was indorsed by their assignor, Thomas J. Wilson. The judgment of the court below being in favor of the plaintiffs, for the sum of $259.55—less than the plaintiffs claimed—both parties have appealed.

The first question, then, that presents itself for our consideration, is a construction of the provisions of the collateral note, which was raised by the plaintiffs' first and the defendants' second prayers. It was earnestly contended on the part of the bank that the effect of the contract of the 14th of May, 1890, was retroactive—that it not only covered future, but past, liabilities. The court below granted the plaintiffs' first prayer, which instructed the jury that by the true construction of the contract the defendant was not entitled to retain possession of the securities pledged, after a tender of the amount of the debt therein mentioned, with legal interest. In other words, that the defendant was not entitled to retain the securities mentioned in the declaration as a security for the note of Charles D. Gaither, dated December 30, 1889, and indorsed by Thomas J. Wilson. And in the granting of this prayer, and the rejection of the defendants' second prayer, which was the converse of the plaintiffs' first prayer, we think there was no error. The plain and obvious meaning of the contract, and that which was contemplated by the parties at the time of its execution, was, to cover future liabilities made after the execution of the note, and those entered into at the time of its delivery. "Any other liability he should come under or enter into, or any other engagement that he should make," is the language of the contract. A responsibility assumed by him nearly five months before the making of this note, and not mentioned at the time it was given, nor embraced in its provisions, cannot be considered as coming under other liabilities or engagements which should thereafter be entered into. Besides this, there were power and authority given the bank to sell these securities upon a default, but it was distinctly provided that this should not be done except on the non-performance of promises contained in the note itself. The Gaither note was payable on demand, dated December, 1889, and was due at the time of the execution of the collateral note.

The remaining question is upon the correctness of the court's rulings as to the measure of damages, and arises upon the plaintiffs' appeal. The court rejected the plaintiffs' fourth and fifth prayers, and gave the following instruction of its own: That the measure of damages is the value of the property mentioned in the declaration on November 18, 1890, less the amount tendered on that date, as shown by the evidence, with interest on the sum so ascertained, in their discretion. And in the correctness of this ruling we entirely concur. It follows, therefore, that the judgment must be affirmed.—*Atlantic Reporter.*

## DISCOUNT BY BANK—BONA FIDE HOLDER.

SUPREME COURT OF MISSOURI.

*Merchants' Nat. Bank of Kansas City* v. *Lovitt.*

Defendant executed and delivered a negotiable note to D., in consideration of certain shares of stock in a corporation that was about to be formed. D., who was a vice-president of plaintiff bank, requested the president of the bank to discount the note, which was done, and the proceeds were placed to D.'s credit. None of plaintiff's officers but D. had any knowledge of the agreement between D. and defendant constituting the consideration of the note. *Held*, that plaintiff was not chargeable with D.'s knowledge of this agreement, as D., in procuring plaintiff to discount the note, represented his own personal interest.

In such case, the fact that D. designated the rate and figured the amount of the discount on the note will not make him such a representative of plaintiff as to impute to plaintiff his knowledge of the agreement constituting the consideration of the note.

BLACK, C. J.—This is an action on a negotiable promissory note for $2,900, executed by the defendant, Lovitt, and payable to O. P. Dickinson in four months after date, with interest from date at the rate of 8 per cent. per annum, and by Dickinson indorsed and delivered to the plaintiff bank. The defense set up by Lovitt, the maker of the note, is a failure of consideration. The history of the transaction is this: On the 27th January, 1888, Dickinson, the payee of the note in suit, by an agreement in writing sold to Lovitt 55 shares of stock in a corporation then about to be formed, for which Lovitt gave his note of that date for $2,900, due in six months. It was understood between Lovitt and Dickinson before this note became due that it was to be renewed. On the 11th July, 1888, Lovitt executed the note sued upon, dating it the 27th of that month, and gave it to Dickinson in renewal of the former one, and Dickinson indorsed it to the bank on the same day. Lovitt paid the interest accrued on the original note. For the purposes of the trial only it was agreed "that the note sued upon was given for a contract in which the payee of the note agreed to sell certain shares of stock which then had no existence, and deliver the same when the corporation was formed and stock certificates issued; that the corporation never was formed, and the stock certificates never issued, and that there was a complete failure of consideration of the note; that said Dickinson, the payee of the note, having made the contract set forth in defendant's answer, at all times from and after the making of the same up to the present time knew of its existence and terms." W. B. Clark was president, Mr. McKnight cashier, and Dickinson vice-president, of the plaintiff bank when the bank acquired the note sued upon. They were all active officers, and Dickinson was also a director. Dickinson had a conversation with Clark, the president, in which he said he had or expected to get the note of Lovitt. He then asked Clark whether the bank would take it, and Clark agreed to discount the note. The evidence leaves it in doubt whether this conversation occurred after or a day or two before the note in suit was executed, but it clearly appears that Clark, as president, agreed to take the note. The note was executed on the 11th July, and on that day Dickinson indorsed and delivered it to the bank. He at the same time figured up the discount on a deposit slip, and handed the slip to the discount clerk, or to the cashier, who passed it to the

clerk. The discount clerk made the proper entries, placing the amount of the note, less $10.30, to the credit of Dickinson, who checked out and used the money. Lovitt was a well-known customer of the bank, and had a line of credit thereat. Dickinson, in his evidence, says he did not accept the note for the bank, but that Clark did. Clark testified that he agreed with Dickinson to take the note for the bank, but that he left the details of the arrangement to Dickinson; that is to say, to make the entries, receive the paper, and deduct the proper amount of interest for the bank. The $10.30 deducted represented interest from the 11th July to the 27th, the latter being the post date of the note. The officers of the bank, except Dickinson, knew nothing about the contract between Dickinson and defendant, and the bank had nothing whatever to do with the original note.

The defendant asked the court to declare the law to be that the knowledge of the vice-president of the existence and nature of the agreement constituting the consideration of the note in suit, was the knowledge of the bank, which request the court refused, and this presents the only question for our consideration. It is a general rule that notice of fact acquired by an agent while transacting the business of his principal, is notice to the principal; and this rule applies to banking and other corporations as well as to individuals. It is the duty of the agent to communicate to the principal information thus acquired, which would affect the rights of the principal; and the presumption is that the agent has performed his duty in this behalf. If he has not, still the principal should be charged with notice of the existence of such facts thus coming to the knowledge of the agent, because he selects his own agent, and confides to him the particular business. (Story, Ag. § 140.) But the reason of the rule ceases when the agent acts for himself, and not his principal, and the rule itself ought not to apply in such a case. Accordingly it has been held by this court that knowledge of an unrecorded deed, acquired by officers of a corporation while acting for themselves and not for the corporation, will not be imputed to the corporation. (*Johnston* v. *Shortridge*, 93 Mo. 227, 6 S. W. Rep. 64.) An officer of a banking corporation has a perfect right to transact his own business at the bank of which he is an officer, and in such a transaction his interest is adverse to the bank, and he represents himself, and not the bank. The law is well settled that when an officer of a corporation is dealing with it in his individual interest the corporation is not chargeable with his uncommunicated knowledge of facts derogatory to his title to the property which is the subject of the transaction. (Tayl. Corp. (2d Ed.) § 210; 1 Wat. Corp. § 135; *Frenkel* v. *Hudson*, 82 Ala. 158, 2 South. Rep. 758; *Wickersham* v. *Zinc Co.*, 18 Kan. 481; *Barnes* v. *Gas Light Co.*, 27 N. J. Eq. 33; *Innerarity* v. *Bank*, 139 Mass. 332, 1 N. E. Rep. 282.) In the case last cited, the court, after speaking of the general rule that knowledge of the agent will be imputed to the principal, says: "But this principle can have no application where the director of a bank is the party himself contracting with it. In such a case the position he assumes conflicts entirely with the idea that he represents the interest of the bank. * * * A director offering a note of which he is the owner for discount, or proposing for a loan of money on collateral security alleged to be his own property, stands as a stranger to it." Now, the facts set up to defeat a recovery here are the facts constituting the transaction between Dickinson and the defendant, in which Dickinson did not represent or profess to represent the bank, and with which the bank had nothing whatever to do. Again, Dickinson, in offering the note to the bank for discount, represented his own personal interest, and Clark, the president, represented the bank. In this particular trans-

action Dickinson occupied the position of any other customer, and not that of an officer or agent of the bank; and it must follow from the principles of law before stated that the bank is not chargeable with his knowledge of uncommunicated facts affecting his title to the note. But it is said Dickinson fixed and figured out the discount, and hence he did, in point of fact, represent the bank. The note bore interest at the rate of 8 per cent. per annum from date, and it appears Dickinson calculated interest at that rate from the 11th July, the date of the transaction, to the 27th of that month, the date of the note, and deducted as discount $10.30; but it does not appear who designated the amount of discount to be paid. The broad fact remains that the president of the bank agreed to take the note, and that the bank accepted the discount as figured up by Dickinson; and the fact, if such it was, that he may have designated the rate of discount in the first instance, is wholly immaterial. He nevertheless represented his own interest in the entire transaction. The judgment is affirmed. All concur.—*Southwestern Reporter.*

## AUTHORITY OF NATIONAL BANK RECEIVER.

DISTRICT COURT, S. D. CALIFORNIA.

*In re Certain Stockholders of the California National Bank of San Diego.*

A Federal court will not, even if it has the power under Rev. St. § 5,234, grant an order authorizing a receiver of a National bank to compound the statutory liability of certain stockholders by accepting payment of a gross sum, less than is due, in satisfaction and discharge thereof, although more money would thus be realized than by proceedings to collect the same in the usual way, when it appears probable that such stockholders have fraudulently conveyed their property to avoid their legal obligations as stockholders, or to shield themselves from injury and exposure by litigation.

ROSS, District Judge.—This is an application for an order of the court authorizing the Receiver of the California National Bank of San Diego to compound the statutory liability of certain of its stockholders. The petition for the order sets forth the insolvency of the bank, the appointment of the receiver by the Comptroller of the Currency, the qualification of the receiver, and his entry upon the duties of his office. It further sets forth that, at the time of the suspension of the bank, 781 shares of the capital stock of the association were owned by certain named persons, in certain stated shares, residing in the States of Maryland and Pennsylvania; that subsequently, it being made to appear to the Comptroller of the Currency that the assets of the bank were not sufficient to pay its liabilities, the Comptroller, on the 5th day of May, 1892, levied an assessment of $100 per share upon each and every share of the stock of the bank, and directed the petitioning receiver to take the necessary proceedings to enforce to that extent the individual liability of the shareholders. The petitioner states, upon information and belief, that many of the owners of the 781 shares are insolvent; that not more than 40 per cent. of the amount of the assessment against those shares could be collected by process of law, and that such collection would be at great cost and expense; that among other information furnished the petitioning receiver is that contained in the petition to the Comptroller, signed by H. H. Haines, David M. Taylor, and S. R. Dickey (holders of a portion of the 781 shares of stock), a copy of which

is attached to the petition of the receiver; that the holders of the 781 shares, being 41 persons in number, have proposed to the receiver to pay a gross sum of $30,000 in satisfaction and discharge of their liability as such shareholders; that the proposition to accept that sum of money, and compound and settle the liability of the stockholders, has been submitted to the Comptroller of the Currency, who has directed the receiver to petition the court for an order authorizing the settlement, a copy of which instructions is annexed to the petition; that the Comptroller, however, required that all claims which any of the holders of the 781 shares may have against the trust, whether proven or unproven, should be assigned to the receiver for the benefit of the trust. The petitioner further represents that, in his opinion, it is for the best interests of the trust that the offer of $30,000 in cash from the holders of the 781 shares of stock, in addition to the assignment and transfer of all their claims against the trust, be accepted in full of their statutory liability.

The petition of Haines, Taylor, and Dickey, addressed to the Comptroller of the Currency, represented, among other things, that the 781 shares of stock of the insolvent association are held by persons residing in the immediate vicinity of their residence; that of the 781 shares a large number are held by persons who are wholly insolvent, others by persons of very limited means, from whom nothing could be collected by execution, and others by persons who would resist the assessment by litigation and otherwise; that they (Haines, Taylor, and Dickey) have carefully computed the amount which could probably be realized by the trust through adverse proceedings from these 781 shares, the holders of all of which are personally known to them, as well as their responsibility, and in their judgment it would be less than 20 per cent.; that they (Haines, Taylor, and Dickey) have interviewed the holders of the 781 shares with a view of inducing them to join with the petitioners (Haines, Taylor, and Dickey) in making an offer of compromise, and through their efforts they have induced the insolvent stockholders to consent to make partial payment, which, added to the sum to be contributed by the remaining stockholders, will make a sum largely in excess of any sum that could be collected from them all by adverse proceedings; that the acceptance of the offer of compromise would result in immediate payment to the trust of a large sum of money, and would be a saving of time, trouble, and expense of litigation, which in some cases might be determined in favor of the stockholders; that this litigation would result in long delay, and, even if successful, in the meantime those who are now thought to be solvent may become insolvent, or otherwise unable to pay any judgment that ultimately may be recovered against them; that the petitioners (Haines, Taylor, and Dickey) are authorized on behalf of the 41 stockholders of the 781 shares whom they represent, to pay the sum of $30,000 in cash; and they ask that their proposition be accepted.

In his letter of instructions to the receiver, the Comptroller said:

"The three gentlemen who make the proposition were largely instrumental in placing the stock of the bank with the holders in their immediate vicinity, and for that reason have some interest in shielding them from unnecessary loss or vexations through litigation. It is perfectly apparent, however, that the men who make this proposition of settlement on behalf of the others, and who would at once advance the money if accepted, do so for the purpose of saving themselves from the payment of an assessment in full. These three men claim, however, that the assessment could not be collected from them by adverse proceedings. It is a question of the employment by the receiver of these three

men as a collection agency, and whether the trust would realize more funds thereby than in the regular course of litigation. It is reported to this office, on what seems to be good authority, that many of these stockholders have placed their property out of their hands with a view to successfully resisting any proceedings which may be commenced to enforce the collection of the amount assessed against them. It is claimed, also, that many of these stockholders are wholly insolvent; or at least execution proof; being married women, clerks, and so forth. The stockholders included in this offer reside only a few hours' distance from Washington, and have been here in person, many of them—and by representatives, all of them—first, with a view to restoring the bank; next, with a view to voluntary liquidation; and now, with a view to compromising their claims. This bureau has employed such means of investigation as are at its hands to ascertain the general character of these stockholders with respect to solvency. Some of them, notably the three who make this proposition, according to their reputation among their neighbors, are perfectly solvent, and the amount claimed against them could be collected by law. They have submitted, however, a statement of their financial condition and obligations, and insist that the claim against them cannot be collected. One of them is president of a bank, the others are in responsible positions, and they want to save themselves from the exposure which would follow litigation. These creditors being so much nearer to this office than to the receiver, I deemed it just to enter upon an investigation, somewhat with the view to advising you more explicitly as to your duty in the premises. It is impossible to reach any satisfactory conclusion as to the collectibility of these claims. That could probably only be determined by suits and execution. I am, however, satisfied that the acceptance of this $30,000 in cash at once will net more money to the trust than could be realized through the regular course of collection by means of suit and execution, and in that view of the case its acceptance may be wise. This proposition is made upon a basis of forty per cent. approximately; the parties making the offer (against whom the principal liability exists) making up for those who are unable to pay anything, and the deficiency of those who are unable to pay the full forty per cent., and by so doing hope to save themselves from paying one hundred per cent., or from injury and exposure by litigation. They insist, however, that any suits commenced for the purpose of enforcing the collections against them will be resisted, and I have no doubt they will. That is the situation of the matter, as fully as I can ascertain the same. I therefore authorize you to submit the proposition to the court for its consideration. It would seem to me that each individual claim should be treated on its merits; and yet I am of the opinion, as stated, the acceptance of this offer will yield the trust more money than would be realized by proceedings to collect the same in the usual way. These people have united to effect a compromise, and have also united to resist any adverse proceedings for collection. It seems to me, therefore, that the question is one which may be fairly presented to the court for its consideration and decision. You will therefore cause to be prepared a petition to the court for such purpose, accompanied by this letter, or a copy thereof.

"P. S. As a part of the proposition inclosed, it is understood that all amounts due shareholders, included in the list as creditors shall be forfeited; or, if claims have been proved, your certificate shall be assigned to you for the benefit of your trust."

Assuming that the court is authorized to grant the order asked for, it is unhesitatingly refused. To sanction proceedings by which a stockholder in a National banking association fraudulently puts away his

property for the purpose of avoiding his just and legal obligations as such stockholder, and is then permitted to compromise his liability by the payment of a less sum than is due, is to place a premium upon fraud. With such conduct there should be no compromise. Laws are made to be observed and enforced, and every one should be made to know that, in respect to every contract made pursuant to their provisions, the Government will accord and exact fair dealing and the utmost good faith. It is far better that the entire amount of the obligations of the stockholders in question should be lost to the trust fund than that the slightest judicial countenance should be given the proposed proceedings. The liability of the stockholders of the insolvent bank is several and not joint. (*Kennedy* v. *Gibson*, 8 Wall. 505.) And there is no reason why the property of every one who has conveyed or may convey it for the fraudulent purpose of avoiding his just and legal obligations arising under the law should not be followed, and every reason why it should be.

What has been said is sufficient to dispose of the petition. It is, however, to say the least, extremely doubtful whether the court has the power to authorize the compounding of the statutory liability of a stockholder in a National bank. The provision of the statute upon the subject is found in section 5,234 of the Revised Statutes. By that section it is declared:

"Such receiver, under the direction of the Comptroller, shall take possession of the books, records, and assets of every description of such association, collect all debts due and claims belonging to it, and, upon the order of a court of record of competent jurisdiction, may sell or compound all bad or doubtful debts, and, on a like order, may sell all the real and personal property of such association on such terms as the court shall direct, and may, if necessary to pay the debts of such association, enforce the individual liability of the stockholders."

It is by no means clear that the statutory liability of the stockholders is a debt, within the meaning of the clause authorizing the court to sanction the compounding of all bad or doubtful debts. In the view I have taken of the case, however, it is not necessary to decide this point. Petition denied.—*Federal Reporter*.

## LEGAL MISCELLANY.

BANKS—DEPOSIT BY ADMINISTRATOR.—An administrator having reduced a deposit of intestate in a bank to his possession, by having it transferred to his credit as administrator, his personal representatives are, on his death, entitled to receive it from the bank; so that, it having been paid them, the bank cannot be held liable by intestate's administrator *de bonis non*.—[*Sibbs* v. *Philadelphia Sav. Fund Soc.*, Pa.]

NATIONAL BANKS—REPORTS TO COMPTROLLER—"FALSE ENTRIES."—A "false entry" in a report by a National bank officer or director to the Comptroller of the Treasury, within the meaning of Rev. St. § 5,209, is not merely an incorrect entry made through inadvertence, negligence, or mistake, but is an entry known to the maker to be untrue and incorrect, and by him intentionally entered while so knowing its false and untrue character. [*United States* v. *Graves*, U. S. D. C., Iowa.]

NEGOTIABLE INSTRUMENTS—ACTION BY ASSIGNEE.—Under Gen. St. ch. 9, § 103, providing that all notes or other instruments in writing whereby any person agrees to pay money or other personal property to another shall be taken to be due and payable to the person to whom

they are made, one cannot recover as assignee of such instrument without specific proof of an assignment. [*Reddicker* v. *Lavinsky*, Colo.]

NEGOTIABLE INSTRUMENTS—GAMBLING TRANSACTION—INTENT OF PARTIES.—In a suit by a stockbroker on a note which the testimony tended to prove was given for stock gambling transactions, the jury, in determining the intention of the parties to the transactions, may consider the acts of the parties themselves, the accounts kept of the transactions, and may go behind the mere form given of such transactions, and ascertain the actual character of the dealings; a note given to cover stock gambling losses being void. [*Gaw* v. *Bennett*, Penn.]

NEGOTIABLE INSTRUMENT—LIABILITY OF SURETY.—Where a person signs a note as surety, and leaves it in the hands of the principal, to be delivered only on condition that it is signed by other sureties, and the principal delivers the note, in violation of the agreement, to the obligee, who has no notice of the same, the surety will be bound. [*North Atchison Bank* v. *Gay*, Mo.]

NEGOTIABLE INSTRUMENT—CONSIDERATION.—Where a signer of a joint and several note assigned his property to defendant, and thereupon plaintiff, the payee of the note, to induce defendant to sign, said, "Unless you sign the note, we will contest the conveyance," whereupon defendant signed, a mere forbearance by plaintiff to attack the conveyance, without any agreement on his part to forbear, was not a sufficient consideration to support defendant's promise to pay. [*First Nat. Bank of Arlington* v. *Cecil*, Oreg.]

NEGOTIABLE INSTRUMENT—NOTES.—Where a note contains a stipulation that its maker and indorser waive demand and notice, a contention by defendant, against whom recovery is sought as the alleged guarantor of the note that he signed it as an indorser, and not as a guarantor, will not release him from liability; such waiver being an absolute agreement to pay at maturity if the maker does not. [*Hoover* v. *McCormick*, Wis.]

PRINCIPAL AND AGENT.—An agent who invests his principal's money in a corporation and which is largely indebted, without informing her either of his membership or of the debt, is guilty of fraud, though there may be no actual wrongful intent; and the principal may recover such sum from the agent in the absence of a ratification by her of such investment. [*Sterling* v. *Smith*, Cal.]

TAXATION—EQUALIZATION—NOTICE.—An order of the board of equalization finding that a bank has omitted property from the list of its taxable property, and should be assessed thereon, and directing the assessor to add such property to its assessment, is not an attempt by the board to add property to the list, and exercise assessorial powers, but is a direction that the assessor make such addition, though the order specifies the value of the property to be added, and is authorized by Pol. Code, § 3,681, requiring the assessor, at the request of the board, to list and assess property which he has failed to assess. [*Farmers & Merchants' Bank of Los Angeles* v. *Board of Equalization of Los Angeles*, Cal.]

USURY—FEES OF AGENT.—Where it appears that a loan bearing the highest rate of interest was negotiated by the agent of the borrower, the fact that such agent deducted from the amount of the loan certain charges for his fees, and the recording of the mortgage to secure the loan, will not impute usury to the transaction, even though the mortgage secured the payment of the whole sum loaned. [*Richardson* v. *Shattuck*, Ark.]

# OUR CIRCULATING MEDIUM, ITS VOLUME AND CHARACTER.

The following address was delivered by the Hon. E. S. Lacey, president of the Bankers' National Bank of Chicago, and formerly Comptroller of the Currency, at the last convention of the Iowa Bankers' Association:

It has been aptly said that the circulating medium bears the same relation to the business of a country that blood does to the human body. It must be pure in character, ample in volume and untrammeled in its movements or disease immediately develops and ultimately death ensues unless a remedy is applied. Like many which afflict the physical body, the monetary disease is insidious in its attack and the patient may be fatally stricken before a correct diagnosis is attained. Even when the case is fully understood, radical differences often arise as to what treatment is necessary to complete recovery. The grave symptoms now apparent warn us that financial affairs in our own country are in anything but a healthful condition and it behooves us as patriotic citizens to promptly inquire as to the cause and extent of the dangers which threaten the country. To this end my present effort is directed.

The circulating medium of the United States is composed of gold and silver coin, Government notes and certificates and circulating notes issued by the National banks. The total of these issues outstanding April 1st, 1893, was $2,163,121,710. Of this total the sum of $560,600,904 was held by the United States Treasury and the remainder, aggregating $1,602,520,806, was actively employed and constituted our circulating medium. The amount and character of these issues on April 1st, 1893, as stated by the Treasury Department, are as follows:

| | *General Stock Coined or Iss'd.* | *In Treasury.* | *Am't in Circulation April 1, '93.* |
|---|---|---|---|
| Gold coin | $546,673,424 | $138,874,473 | $407,799,951 |
| Standard silver dollars | 419,047,305 | 359,490,115 | 59,557,190 |
| Subsidiary silver | 77,197,330 | 11,165,155 | 66,032,175 |
| Gold certificates | 116,621,439 | 5,135,430 | 111,485,009 |
| Silver certificates | 328,226,504 | 5,267,551 | 322,958,953 |
| Treasury notes, act July 14, 1890 | 135,490,148 | 5,533,367 | 128,956,781 |
| United States notes | 346,681,015 | 29,887,702 | 316,793,314 |
| Currency certificates, act June 8, 1872 | 17,090,000 | 420,000 | 16,670,000 |
| National bank notes | 176,094,544 | 3,827,111 | 172,267,433 |
| Totals | $2,163,121,710 | $560,600,904 | $1,602,520,806 |

## COMPLEX CHARACTER OF OUR MONEY.

The complex character of our circulation will be more fully understood by considering the qualities imparted by law to each of its constituent parts.

1. The gold coins of the United States are a full legal tender to any amount when of standard weight; if below the standard weight they are legal tender at valuation in proportion to their actual weight.

2. Standard silver dollars are legal tender to any amount except where otherwise expressly stipulated in the contract.

3. The subsidiary silver coins are legal tender to the amount of ten dollars; they are redeemable in lawful money by the Treasurer or any Assistant Treasurer of the United States, when presented in the sum of twenty dollars or multiples thereof.

4. Minor coins are legal tender to the amount of twenty-five cents; they also are redeemable in lawful money if presented in sums of not less than twenty dollars.

5. United States notes were made a legal tender by the acts authorizing their issue, except for duties on imports and for payment of the interest on the public debt. Since the resumption of specie payments on January 1, 1879, they have been received for duties on imports. They are redeemable in gold or silver coin at the office of the Assistant Treasurer of the United States at New York, if presented in sums of not less than fifty dollars.

6. The Treasury notes issued in payment for silver bullion purchased under the act of July 14, 1890, are a full legal tender except where otherwise expressly stipulated in the contract; they are redeemable in gold or silver coin at the discretion of the Secretary of the Treasury. It has been the policy of the department to redeem them in gold coin if so demanded by the holder.

7. Gold and silver certificates are receivable for customs duties, taxes and all public dues; they represent the kind of coin deposited and reserved in the Treasury for their redemption; they are not made a legal tender by the acts of Congress authorizing their issue.

8. Currency certificates are issued upon the deposit of United States notes in sums of ten thousand dollars and are made payable to order of the depositors; they are redeemed in the kind of money deposited and are not a legal tender.

9. National bank notes are secured by the deposit of United States interest bearing bonds with the Treasurer of the United States; they are redeemable in lawful money, but are not a legal tender, though receivable for all public dues, except duties on imports; and also for all salaries and other debts and demands owing by the United States to individuals, corporations and associations within the United States, except interest on the public debt and in redemption of National currency. They are also receivable at par for any debt or liability due to any National banking association.

All of the various forms of money above described excepting National bank notes are available as part of the lawful money reserve held by National banking associations.

It is thus apparent that we have ten varieties of coin and paper circulating as money, no two of which are subject to the same requirements as to redemption, nor clothed with the same legal tender and debt-paying qualities. It is a matter of sincere congratulation that the discretion conferred upon the Secretary of the Treasury has heretofore been wisely exercised, because to this fact are we mainly indebted for the maintenance of the parity of these widely dissimilar and unscientific issues.

It is safe to assume that no system characterized by such unsound conditions can long be tolerated by an intelligent and progressive people, destined to become in the realm of finance what it is to-day in point of wealth and power—the foremost of nations. It will be my purpose in this paper to first briefly state some of the objections urged as to the character and quality of these issues, and secondly, submit some observations as to the sufficiency of the supply. A careful review of the situation as a whole, warrants the assertion that our system is unnecessarily complex in character and fatally unsound in principle. No criticism lies against our old coinage, and the same may be said of subsidiary silver. The issue of gold certificates may also pass unchallenged on the score of convenience and economy, as it facilitates and cheapens transportation and reduces the loss from abrasion incident to constant hand-

ling of the coin. The issue of currency certificates can hardly be considered as the necessary exercise of a Governmental function, but it is beneficial in its effects and is a convenience which could be illy dispensed with in the larger cities.

The enormous coinage of standard silver dollars, the issue of certificates based thereon, and the imparting to the former a practically full legal tender quality, may properly be characterized as unsound in principle and fraught with grave peril to the interests of all classes of our people, as it may involve a change of standard with all its attendant evils.

The circulating notes of National banks more fully meet the proper requirements of representative currency or secondary money than any other of the issues mentioned, as they alone possess the quality of elasticity which is so essential and yet they are the object of malignant attack upon the part of well meaning but misguided people, whose interests would be in largest degree promoted by the maintenance of an ample, sound and flexible currency. It is a matter of regret that the increasing premium on Government bonds and the continued imposition of the war tax upon these notes, has rendered their issue unremunerative to the banks and thus caused a very great reduction in the volume outstanding.

### UNITED STATES AND TREASURY NOTES.

Objections are also properly urged against the increased issue and permanent incorporation into our monetary system of the Governmental obligations known as United States and Treasury notes. These issues on April 1, 1893, aggregated $482,171,164, and are steadily increasing at the rate of about $50,000,000 per annum. The United States notes were a forced loan made necessary by the unprecedented expenditures incident to the conduct of a great war. As self defense may justify a man in taking the life of his fellow, so governments may be excused for making such issues as those now under consideration, provided the preservation of its institutions and the integrity of its territory make this course imperative. Unfortunately, however, the prolonged use of what are known as greenbacks, has served to propagate unsound theories as to the power of the Government to create money by its fiat, and upon the erroneous views thus developed, a powerful party was organized that for several years threatened with disaster the business interests of the entire nation. An enormous increase in the issue of these notes was narrowly averted, and the country with difficulty delivered from the evils incident to wild inflation and ultimate repudiation. The continued use of $346,000,000 of greenbacks is the result of a compromise between those who entertained widely diverging views upon monetary questions, and can only be tolerated upon the ground that a nation struggling under the incubus of a great debt, may be excused for violating sound principles of finance by temporarily floating its non-interest bearing obligations until its bonded debt is retired, or so reduced in amount as to render its ultimate payment no longer problematical or burdensome. The rapid reduction of the public debt has demonstrated our unexampled resources as a nation, and established a credit unexcelled by that of any of the great powers. As a matter of fact it may be safely asserted that long bonds of the United States, payable in gold coin of fixed weight and fineness, could be placed at a lower rate of interest than those of any other nation. Our present outstanding bonds are, however, in a certain degree discredited abroad on account of their being payable in either gold or silver coin, at the option of the Government. As the bullion value of our silver coin is about 36 per cent. less than its coin value, an

element of uncertainty is introduced which serves to impair confidence in our obligations and place us at a disadvantage. In any event it must be admitted that our public debt has long since ceased to be a burden, and that no adequate excuse now exists for the permanent use of Government legal tender notes. They should be gradually retired during years of peace and prosperity, in order that the power to make such an issue may be held in reserve, to be exercised only in cases of great National peril.

The Treasury notes of 1890 are subject to some of the objections urged against United States notes, popularly called greenbacks. The former are issued in the purchase of a silver bullion, a commodity for which the Government has no use, and which would otherwise find a market abroad, thus obviating in whole or in part the necessity for the large gold shipments which constitute the peril now most obvious and imminent.

Money for the sake of convenience has been divided by some writers into two classes, namely, primary and secondary.

Primary money is the designation given to money of ultimate payment or redemption and constitutes the standard and measure of value. The value of our entire circulation is therefore fixed by the character of our primary money, which is gold, the only metal whose coin and bullion values are the same in all parts of the world. Silver was formerly the equal of gold in this respect, but in recent years an increased supply and diminished demand has caused its depreciation to such an extent as to render its bullion value, when measured by gold, nearly 36 per cent. less than its coin value.

Secondary money in this country includes all forms of circulation other than gold. Our entire circulating medium will be maintained at a parity with gold only so long as the Government continues to redeem, directly or indirectly, all forms of secondary money in the yellow metal. This redemption in gold is not made obligatory upon the Government by law, but has been maintained thus far through the exercise of discretionary power conferred upon the Secretary of the Treasury. It is apparent, therefore, that the maintenance of the present standard of value depends upon:

1st. The will of whomsoever may occupy the position of Secretary of the Treasury, and

2d. Upon his having the ability as well as the disposition to maintain redemption in gold.

So we present the remarkable spectacle of a nation of the first rank in the point of manufactures, commerce and agriculture, possessing more wealth, greater average intelligence and freer institutions than any other, making itself dependent upon the integrity and sound judgment of the one man who may, for political reasons, be charged with the administration of the Department of the Treasury, in fixing the value of the circulating medium of the country, by which is determined the price of every commodity, the wage of every laborer and the value of every contract. How can we defend a policy which places in the hands of a single individual powers the unwise or corrupt use of which might result in such a change in prices as would be tantamount to confiscation?

But the situation is still further aggravated by the operation of laws enacted and preserved by our representatives in Congress, the effect of which is to steadily but surely bring us to a condition where it will become impossible for any Secretary of the Treasury, be he ever so wise and faithful, to preserve us from a change of standards and its resulting disasters. The volume of our secondary money is being steadily

increased by the issue of about $4,000,000 in Treasury notes monthly, and our supply of primary money is at the same time being relatively reduced by the exportation of gold. It is inevitable that this course, if persisted in, will render the volume of primary money inadequate for redemption purposes and result in a collapse of the present system and the descent of the entire monetary fabric to the level of the silver standard.

### THE EXPORTATION OF GOLD.

It is a significant fact that our exportation of gold has substantially kept pace with the issue of Treasury notes caused by the purchase of silver bullion under the Sherman act.

Between July 1st, 1890, and March 1st, 1893, under the operations of this act, the issue of these notes has aggregated $131,867,853. During the same period our net exportations of gold reached $117,106,710.

If the silver bullion thus arbitrarily withdrawn and hoarded in the Treasury vaults had been permitted to seek its natural markets it would have gone abroad instead of gold, and thus our stock of the latter metal might have increased rather than diminished, and confidence, which is the basis of business prosperity, remained unimpaired.

### AVERAGE PER CAPITA CIRCULATION.

| | | | |
|---|---|---|---|
| France | $40.56 | Italy | $9.91 |
| United States | 25.15 | Austria-Hungary | 9.75 |
| Germany | 18.54 | Russia | 7.16 |
| United Kingdom | 18.42 | Turkey | 2.88 |
| Spain | 16.56 | | |
| Canada | 13.56 | Average (10 countries) | $16.24 |

Of these, France alone exceeds the United States. This excess is due to the fact that the French people employ bank checks and drafts to a very limited extent, nearly all settlements being effected by the use of actual money.

On the other hand, our per capita circulation exceeds that of the

| | |
|---|---|
| United Kingdom | 37 per cent. |
| Germany | 37 " " |
| Canada | 89 " " |
| Average of ten principal nations | 55 " " |

The per capita test is at best a very imperfect one. but so far as its application is of value, it indicates no deficiency in the United States. On the other hand, it is shown that we have relatively almost double the supply used in Canada, where the existing conditions present the greatest similarity to our own.

If we apply the labor test, which is held to be the most reliable, it will be found that no facts are disclosed indicating that our circulation is insufficient, as it is confidently stated by the best authorities that a day's labor, skilled or unskilled commands more dollars now than at any time since the resumption of specie payments.

As further bearing upon this point, it may be asserted as a general proposition, that no country will continue the exportation of money while it possesses an insufficient supply. Nevertheless the official records show that we have been steadily parting with our gold for the past five years, and that the net exports of the yellow metal from July 1, 1888, to March 1, 1893, aggregate $171,020,858.

And finally, attention is called to the fact that average interest rates have steadily declined during the same period. In view of these facts it may be safely asserted that the weight of evidence is against the theory of an insufficient supply of money, if indeed, a condition of redundancy is not shown to exist.

All advocates of free coinage of silver vehemently assert that a corrupt conspiracy exists, having for its object the demonetization of silver to the end that contradiction may ensue and the interest of bankers and money lenders be subserved. As a life-long bi-metallist, I have given this assertion careful consideration, but candor impels me to say that the evidence adduced falls far short of establishing its truth. Besides, I observe that banks of discount and deposit prosper most when the volume of circulation is redundant.

### HOW SILVER BECAME MONEY.

Silver became a money metal because, in the opinion of mankind, it was adapted to use as a standard and measure of value. Changed conditions have greatly impaired its usefulness and the same power that made can properly unmake it. The universality and the long continuance of the movement to curtail its use and limit its legal tender quality, are the best evidence that it results from natural causes rather than from the artificial manipulations of selfish conspirators. Conspiracy is a cause utterly inadequate to the production of such a wide-spread and lasting effect. For more than twenty years civilized nations have exhibited a tendency to look upon gold monometallism as the system which must ultimately prevail; one by one they have joined the ranks of those who maintain a single gold standard. Every country making the attempt has succeeded in securing a sufficient quantity of the yellow metal, and in every case public opinion acquiesces in and supports the change. Can it be possible that we are wiser than our generation or that we are too weak, financially, to follow where the debt-ridden powers of Europe lead?

### GOLD AS PRIMARY MONEY.

Let us continue to use gold as primary money; let it still be the standard and measure of value and the medium for adjusting international balances. Our silver coins now amounting to nearly $500,000,000, or their representative certificates, can be safely utilized for domestic purposes in ordinary daily transactions, provided we suspend the purchase and coinage of the white metal and retire all other forms of money of the lesser denominations.

We have now in circulation of gold coin, silver coin and paper money about $500,000,000, in denominations of five dollars and under. If we surrender this field entirely to silver coin and silver certificates, they will pass into the pockets of the people and the tills of the tradesman, and render it impracticable for importers to pay custom duties in this form of currency. The Treasury receipts of gold and its equivalent will thus be greatly increased and an important element of danger to the gold reserve removed.

### SYSTEM NEEDS REMODELING.

It is apparent that our entire monetary system needs remodeling upon a plan more simple in form as well as more correct in principle. The limitations of such an address as this will not permit the elaboration of such a system, nor are the conditions favorable to the enactment of a measure necessarily so radical in its character and far reaching in its effects. It will come in due time, however, if we are faithful to the duties of enlightened citizenship.

### BUT ONE ACTUAL STANDARD OF VALUE.

I have neither time nor inclination to now enter into a lengthy dis-

cussion of the subject of the free coinage of silver. In my judgment, the complete opening of our mints to the white metal at the present ratio would be suicidal. I therefore prefer to confine myself to stating some propositions bearing upon the subject which are either generally admitted, or supported by a decided preponderance of evidence.

1. There can be but one actual standard or measure of value at a given time and place and that should consist of either gold or silver, or possibly both, where the mint and bullion value of the two metals are at a parity.

2. Gold is now the actual standard or measure of value in this country.

3. Every contract entered into since the resumption of specie payments in 1879 (with unimportant exceptions) has been based on values measured by the gold standard, while absolutely none now in existence have been based on values measured by the silver standard.

4. The free coinage of silver at the present ratio would almost certainly eventuate in a change to a silver standard, in which case each dollar of our circulating medium would have a purchasing power no greater than the bullion value of the silver dollar, which is now 64.4 cents.

5. By a change to the silver standard employers of labor would primarily profit at the expense of wage earners, and the investments of the latter class in savings banks, trust companies, life insurance companies, building and loan associations and many other corporate and personal securities would greatly depreciate in value, the cost of living would be enhanced to the embarrassment of persons dependent upon wages, salaries and fixed incomes, while municipalities, corporations, trusts and persons of great wealth, who constitute the chief borrowing class, would be enabled to pay their debts in a depreciated medium.

6. Wage workers constitute the largest and most important class, and are entitled to the preference whenever their interests come in conflict with those of the debtor class, subject to such limitations as justice and equity may impose.

7. The maintenance of the gold standard will cause no contraction, while a change to the silver standard would tend to retire from circulation more than $500,000,000 of gold.

8. Experience has demonstrated that a violent contraction of the circulating medium is a serious evil; the same is true of a change to a depreciated standard. Either has proven sufficient in the past to prostrate business interests. As no nation has ever experienced the simultaneous infliction of both these evils, the effect of the combined visitation portends a disaster, the magnitude of which we have no data for correctly estimating.

The truth of these propositions will be very generally admitted by fair-minded people who have investigated the subject. If they are accepted as true, it will be found difficult to successfully defend the further purchase of silver bullion or its free and unlimited coinage at the present ratio. What we most admire in the individual man is that integrity and courage which leads him to the faithful and unflinching performance of every contract according to its spirit as well as its letter. He who takes advantage of legal technicalities to avoid an equitable claim, is looked upon as a trickster, lacking in the higher qualities of true manhood. The payment in silver of a debt contracted in gold might be legal, but it would not be honorable. A nation is but an aggregation of individuals. An aggregation of dishonorable units cannot make an honorable whole. No nation can afford to enact a law or adopt a policy which will suggest or permit any deviation from the most scrupulous integrity on the part of any of its citizens.

The larger part of our legislation upon questions affecting the currency has been the result of enforced concessions to the enemies of sound finance in order that some supposed peril might be averted or some governmental exigency met. The calm and intelligent application of well-established principles to the formation of a complete and symmetrical monetary system adapted to the necessities of a commercial people has found scant exemplification in the enactments which now afflict us. One of the most potent forces employed in the adoption of unwise measures is based upon the assumption that the country is suffering from an inadequate supply of the circulating medium. This theory is widely entertained and strenuously asserted, but it is not capable of demonstration, and in fact the weight of evidence seems to establish its fallacy.

The Hon. R. O. Leech, Director of the Mint, submitted to the recent international monetary conference an approximate estimate of the total and per capita stocks of money in the principal countries, from which it appears that the world's supply is made up as follows:

| | |
|---|---|
| Gold | $3,632,605,000 |
| Silver | 4,002,700,000 |
| Uncovered paper | 2,629,663,000 |
| Total | $10,264,968,000 |
| Total population | 12,180,000,000 |
| Average per capita | 84 cents |

SOME SUGGESTIONS.

Some relief should nevertheless be demanded from the present Congress, and I may be permitted to suggest that

1. The act of July 14, 1890, should be repealed.

2. All gold coin, United States Treasury and National bank notes of the denomination of $5 and under should be retired and reissued in larger denominations, utilizing in place thereof silver coin and silver certificates, the denominations of the latter being restricted to one, two and five dollars.

3. The legal tender quality of silver coin should be limited to one hundred dollars.

4. The tax should be removed from National bank notes and the issue thereof be increased to the par of bonds pledged for their redemption.

Unfortunately the vital questions affecting our currency have been dragged into the domain of partisan politics. So far as their settlement is concerned it is to be feared that the dissimulations of the demagogue and the greed of the spoilsman may be found more potent than the sound arguments and the mature judgment of the financier, the statesman and the patriot. While the political pot hunter is able to mislead thriftless, unscrupulous and illy-informed voters, the interests of a people conspicuous for its industry, frugality and integrity, are placed in the deadliest peril. In the presence of such an emergency it is the duty of every good citizen to continue in season and out of season to reiterate the time honored principles that have been evolved from and established by the uniform experience of the entire civilized world.

To many of us these statements may seem trite and stale, but in persistent discussion and unceasing agitation lie the only hope of a people who are forced to submit to the arbitrament of the political arena questions which tend to array selfishness and cupidity against scrupulous and unyielding integrity.

If we would successfully issue from the struggle we must make unceasing appeals to the conscience and intelligence of the American people, and thus incite to vigilance and activity a constituency which is occasionally misled, but always wise and just in its ultimate conclusions.

## EARLY IOWA BANKING.

Hon. W. H. M. Pusey, of Council Bluffs, one of the oldest bankers in Iowa, gave some account of early banking in that State at the recent convention of the Iowa Bankers' Association.

The period immediately subsequent to the discovery of gold in California is known as the "golden era" of American finance. Within less than a decade the native product in gold was in excess of six hundred million dollars ($600,000,000), a sum equal to the estimated volume now in the entire country. The sudden craze to be rich stimulated emigration from all lands to the new Eldorado of the West. Civilization under this impulse, in one gigantic struggle with natural obstacles, in its marvelous achievements of a few years, did what would have taken half a century to accomplish without these incentives.

From the Orient to the Occident they came by land and sea, representing the best energies and enterprise of the aggressive Anglo-Saxon race. They were the chosen instruments in the hand of an inscrutable Providence to blaze the continental highway from the Missouri to the Pacific. Unexplored and arid deserts, unbridged streams and hostile Indians, were no barriers to these Avant Couriers of a modern civilization. The white-covered wagons and long lines of eager gold hunters stretching across a continent, were but the forerunners of the rushing railroad trains, Pullman sleeping cars and fast mail with "news from all nations lumbering at its back."

Contemporaneous with this immigration came a religious sect, journeying, they knew not where. Hound-hunted, persecuted and driven from Nauvoo with their wives and little ones. "What sought they thus afar? Bright jewels of the mine?" No! They sought a faith's pure shrine, and midway to the ocean they founded their "happy Zion"; builded their temple; planted our flag over the city of the plain; and for forty years have held the fort, surrounded by semi-barbarous tribes of people; a city of refuge in the mountain fastnesses of our Republic. And to-day, in their decadence, conspicuously illustrating the law of the survival of the fittest. "God moves in a mysterious way His wonders to perform."

The people of Council Bluffs stood in one of the gateways of this wondrous exodus. Its reflex influence did very much to give to our Western States and territories a healthful and permanent population.

The Mexican soldier had tarried long enough with us to place his pension, in the form of a military land warrant, upon our virgin prairies, the commencement of the happy homes and rich farms of our now beloved and prosperous commonwealth. It was amid these surroundings many of us commenced our business life in the undeveloped West. It was in the age of wild and hazardous speculation. The plethora of gold had stimulated every branch of industry, ran real estate up to fabulous prices, increased the cost of living and decreased the purchasing power of the gold dollar.

The volume of our circulating medium was swelled far beyond the demands of commerce and trade by an alien and irredeemable paper currency. The value of a metallic dollar depends upon its purchasing power, its stability, its universal acceptability, and its convertibility into the money of commerce and the money of the world. The value of paper money, which has been in use for over five hundred years among

civilized nations of the earth, depends wholly on the ability of the authority issuing it to give value for it when payment is demanded.

The people of Iowa were then living under our old constitution, which inhibited the creation of banks of issue, but surrounded by States and Territories, which, by legislative enactments and general incorporation laws, fostered and encouraged systems of free banking, whose circulations were founded on non-interest paying stocks and bonds of almost every conceivable corporation and association of men, devised and clothed with power to issue money, much of which never knew that its redeemer lived. Iowa was the favorite dumping ground for this currency, and when the financial crash came, was, possibly, one of the greatest sufferers.

The scarcity of bank bills under the denomination of five dollars, and the want of subsidiary coin, almost forced us to tolerate the small bills of these foreign banks. The dearth of silver for change among retail dealers, induced the proprietor of one of our flouring mills to resort to a plan (within the law) to supply the long-felt want. He issued his checks in denominations less than one dollar upon his bank on circular pasteboard chips, had them certified payable on presentation in sums of five dollars and upwards. They proved so convenient and popular that the miller had orders for them from Sioux City to St. Joseph.

This was also an era of successful counterfeiting, and the receiving teller of a bank became an expert in his knowledge of the genuineness of bank currency. It was not enough that he should know a genuine from a spurious bill. Every bank issue had a different current value in the community; there was the bill which the steamboat would take for passage and freight; the bill the Western Stage Company received for fare; the bill which would buy the necessities of life and pay the laborer for his toil. Every package of bills presented at the bank counter had to be properly classified and discounted into either par funds (which would buy exchange), current funds and special funds to be returned to the depositor in like funds, and the pass-book, and the bank account of the depositor was so specified, no bank being willing to assume the possibilities of disastrous and sudden depreciation to which this money was constantly subjected. Wide-spread distrust and want of confidence had seized upon the public mind.

One morning an Iowa banker dropped into the office of his St. Louis correspondent; the cashier of the big bank carelessly handed him a draft drawn on Duncan, Sherman & Co., of New York, which he had just signed, calling for one million dollars. Facetiously remarking, "Do you Iowa bankers often draw drafts for such a large sum of money as that?" "No," was the reply, "and I doubt if there is a man in Iowa who ever saw as large a draft." "What is it issued for?" "Oh, don't you know we are building the Ohio & Mississippi Railroad? that draft is the first payment on the iron rails." The country banker soon after withdrew, and what may possibly have been a surprise to the big bank, also withdrew his balance, not wishing to become an involuntary stockholder in the Ohio & Mississippi railroad.

The laws for the speedy collection of debts were suspended by substituting appearance terms and stay laws in the interest of debtors.

One day a merchant in good credit and standing hurried into his bank and asked for the loan of one thousand dollars, but was refused the accommodation. He excitedly exclaimed, "If you don't let me have the money I am a ruined man." "How's that," asked the banker. "I will go to protest," was the reply. "Oh, is that all? You simply mean you will join the great army of delinquents." "But you must let me have it, my dear sir, and I will pay it back to you Monday morning at 9

o'clock on the opening of your bank, if I am a living man." Nine o'clock Monday morning came, 10 o'clock, 12 o'clock, but Jones had not put in an appearance.

The banker, on his way to dinner, called at the undertaker's and ordered the hearse to be sent to Jones' residence, and there remain until he, the banker, should order it away. On his return to the bank Jones was on hand; greatly disturbed at the presence of the hearse at his residence. The banker greeted him very cordially, "Is it possible, Jones, this is you; alive and well? I supposed you were certainly dead; I have always known you to be a man of your word; you said you would pay that note at 9 o'clock this morning 'if you were a living man,' it is now nearly 2, and I was determined to do my part in giving you a Christian burial." Both these gentlemen have passed away, steadfast friends through life and leaving as a heritage to their children large fortunes and the reputation of blameless lives.

As early as 1855 the gold product of this country had reached its maximum annual product of $67,000,000, and silver, which had been debased 8 per cent. by the legislation of 1853, in a vain effort on the part of our doctrinaries and law makers to sustain the parity of the precious metals, suddenly poured its silver flood upon the markets of the world, until its annual output exceeded that of gold by more than twenty millions per annum, causing a reversion in the natural ratio of these metals, causing an entire change of legislative policy to sustain their equilibrium. The conservative financiers of the country, then, and ever since, have advocated the doctrine of the framers of our Constitution on the fiscal policy of the nation; that the standard money of the country should be gold and silver, to go hand in hand at a ratio which will maintain their parity, and that no fiat legislation can provide for the oscillations caused by the variableness of their product, and the ceaseless ebb and flow of commerce which changes their convertible value as the tidal waves of the ocean troubles its surface.

No nation on earth has any trouble about the money question which sells more than it buys. But this country and continental Europe, debtor nations in the absence of international concurrence, will ever be subjected to difficulties constantly arising. During the period referred to British India and the Latin Union threw open their mints to free coinage, causing the drainage of our gold reserve, and precipitating the National revulsion of 1857.

Prosperous Iowa, now rejoicing in conscious strength and an assured future, was prostrated and utterly helpless under its exhausting effect. Far removed from the sea board with no railroad communications with the markets of the country, agriculture paralyzed, labor unremunerative, our people simply existing under forced frugality; the banking business was neither remunerative nor ornamental. Securities and collaterals were unconvertible, and our circulating medium was practically worthless.

## ON GRANTING DISCOUNTS.

The banks are the most indispensable factors of the modern business life, and because they are recognized as such by the intelligent business element, and because they are conscious of possessing power, their attitude and policy, in times of monetary stringency, are more influential than those of other business factors which are intrinsically of more real importance.

Banks collect the idle money of the community and put it to work. Contrary to the Populist idea—and their idea represents the notions of many people who are not Populists and who do not sympathize with Populist notions—the mass of the idle money of the community does not belong to rich people, but to the comparatively poor. We are not writing a disquisition on banking, and, therefore, need not dwell in detail on what those engaged in commerce know very well, that men in one line of trade are borrowers at certain seasons, while at others their money accumulates from collections, and that banks dealing with different classes of customers, having different seasons for paying and collecting, set off the idle season of one against the active season of the other and keep the money of all actively at work. But besides what money they handle for the convenience of the commercial classes the banks are the great depositories of the savings of those who get their living by salaries and wages. The rich man who has a few thousand dollars idle in a bank hastens to invest it in stocks or bonds. The wage-earner lets his money lie, accumulating by weekly savings and interest, till he has enough to buy a home or a lot. He knows little about stocks or bonds. He puts money in the bank and when he wants to take it out he wants money and nothing else.

The funds which bankers can lend with most confidence in times when business is in a normal condition are these savings of industrious and frugal people of moderate means. They are intelligent enough to know that their money is safer and more productive in reputable banks than anywhere else, and as long as their distrust is not aroused they are content to leave it there. The true policy of banks is to conduct their business so that this large class shall not become distrustful. Many of them are employed in large manufacturing establishments, which sell on time and have to pay their hands in cash weekly, are often dependent on banks to take their time drafts on their customers in order to raise money to pay their weekly bills for wages and other cash items. Their employes soon get to know this, and they know that when money is easy and banks have plenty of it they are glad to make money by extending this sort of accommodation. If in times of stringency banks shut down on such customers and refuse to extend usual and necessary accommodations, and the employing establishments have to curtail production and drop some of their hands or shut down altogether, the employes understand that it is because the banks are short of money or are distrustful of the condition of business. Some of them have always money in bank laid by for a rainy day when they are out of work, or laid by to buy a home. Some one of them is sure to conceive the idea that if the bank is getting too short of money to loan any to his employer, the best thing for him to do is to get his money out of that bank while he can, and as soon as he has got his money he tells others and they follow his example, and there is a run on the bank or a general withdrawal of the money which has furnished the most loanable fund it

has. It is very short-sighted policy in bank managers to cut down too sharply or rapidly the accommodations which the business of their customers requires. It is short-sighted policy to refuse renewals when harsh refusals will precipitate assignments. A wise banker knows that greedy attempts to save himself by pressing some particular debtor who is solvent, but embarrassed by slow collections on sales, means always the locking up of more money than he has honestly involved and a general loss that will offset any particular gain. He will tide customers over who can show that they have any claim to be tided over, rather than enforce narrow and rigid rules that may give a narrow temporary gain at the expense of a wider but permanent loss.

In general, wise bankers will hold that the time for bankers to be most liberal to the commercial community is when the commercial community is in most need of money to carry on its legitimate operations, and the time for wise bankers to be calmest and most cool-headed is when the unwise are affected with untimely and unreasonable alarm. We believe these things all the more because one of the wisest and most cool-headed of our bankers holds substantially the same ideas.—*Louisville Commercial.*

## MANAGEMENT OF BANK CLERKS.

In a receipt given in an old cook book for the best way to cook a hare, it starts out with the wise proviso, "First catch the hare," and in this paper on the "Management of Bank Clerks," I name as a necessary condition—first secure the clerk. As "the proper study of mankind is man," bank officers and directors should scrutinize carefully the characters of young men before they admit them into prominent positions in their banking houses. Honor should be the predominant feature in their character, for no man without it in its strictest sense is qualified to be the custodian of funds belonging to the people or to corporations. But some will argue that it is almost an impossibility to judge of the true instincts of a young man while the world is so full of the Dr. Jekyls and Mr. Hydes. It has been wisely said that "the child is father to the man," and we can readily discover a young man's character by making inquiry of those who have watched him during his childhood, for at that time in life traits of character are formed which cling to him during the entire period of his existence. A boy who passes his time in school lazily catching flies or throwing paper wads at his companions, or who during the recess hour takes delight in snatching the luncheon from younger pupils, or acts a baser part while engaged in the amusement of childhood by "fudging" at marbles or taking undue advantages at the game of base ball, does not possess the esssential elements to make a faithful bank officer. As he grows older, if he burns the midnight oil over the gaming table or in riotous living; if he visits beer gardens or the demi-monde; if he has no frugal habits, but squanders his means and all that he can acquire in gratifying his tastes for such low pleasures, he will, no doubt, keep up this folly after he becomes a bank clerk, and will not hesitate to "tap a till" to secure the necessary means to carry on his vicious practices.

Do bankers use all necessary precautions and investigate fully the habits of young men whom they place in responsible positions? I do not believe they are as strict in their selection of employes as were our forefathers. It has grown to be almost a universal custom for bankers to be influenced in the selection of clerks by the larger stockholders or directors of the bank, and many a fault has been overlooked in a young

man's character when he has been given a responsible position merely to gratify the wishes of his immediate friends. It is very often the case that some poor young man without influence, who is a born banker, has been driven from the proper channel his character and brains have destined him to follow, by being defeated in his aspirations by some weak, immoral and wholly unreliable boy, because that boy was the son or personal friend of some influential stockholder or director of the bank. May this not be one of the principal causes of the frequent defalcations in banks at the present day? May not a lack of honor culminate in false entries or in robbing a cash drawer—a continuation of which has brought upon the banking fraternity unjust censure, which usually ends in that threadbare joke always associating the name of bank cashiers with a Canadian tour?

In securing a clerk for a bank it should be the sole aim of the officers to see that the applicant is possessed of all the sterling characteristics of a good business man. He should be polite in all his intercourse with others; not a frequenter of saloons, whereby his brain may become addled. He should have a keen sense of honor and probity; not given to extravagant living, but possessed of sound ideas of frugality; no gambler, either at cards or the bucket shop; one who shuns the society of harlots; who is not too much given to club life; no habitue of the race course, nor a brawler or sport or an admirer of the prize-ring, but blessed with an ambition to be "a hero in the strife" by living up to all the attributes of a true gentleman, and husbanding his mental resources for the purpose of aspiring to something higher than the minor position he has just been chosen to fill.

By way of a parenthesis: Did you ever take the time from your multitudinous cares as a bank officer to watch the antics of some newly-elected bank clerk? If you have not, you have surely lost a great deal of the humorous side of life. He is almost full enough of himself to pop open. His walk is majestic; his head is carried almost high enough to escape the poll-tax by being out of the corporation. He seems to say by every wink of his eyes, every movement of his lips, the swing of his arms and the step he takes, "Ah, ha! I am a bank clerk." The set of his hat has even a collateral significance—it is the proudest moment of his life. He will be the first man at the bank and the last to leave at closing time, when he promptly starts for the constitutional walk, making it convenient to pass the window of the girl he likes best. If he should have the opportunity in a few months after he has been inducted into the mysteries of banking and has read several copies of some financial paper or magazine, he would not hesitate to discuss the silver question or some other abstruse financial issue of the day with President Cleveland or Secretary Carlisle. Without any compunction of conscience he would declare Alexander Hamilton a monetary humbug and Salmon P. Chase and John Sherman financial fogies. In his own opinion he is as infallible as the Pope of Rome and cannot make an error; he can detect a counterfeit around the corner, and one would suppose from his proud bearing that all of the financial pabulum of the nation was contained in his small head. He will even go so far as to speak disparagingly of the paper taken by your bill committee and will say to some of the clerks, "I most surely would not have permitted that paper to pass." But there comes a time when these innocent fancies of the young banker are scattered like the chaff before the wind. He makes a mistake. Deep gloom sets upon his features, and he awakes to the reality that he does not know it all. This abundance of vanity, however, is a favorable symptom in the make-up of the young financier. That man who is proud of his position is always possessed of more of

the elements of a successful man than he who is ashamed of his calling.

Neatness and order are two essentials in banking; a slovenly, careless man is out of his element when he accepts a place in a bank. Those who have control of the cash should be clear-headed, painstaking, rapid in calculating and all other movements, neat in the arrangement of their money and courteous when they are dealing with the public. The two most prominent places where friends can be made for the bank are the paying and receiving tellers' windows. A cross-grained, surly, unaccommodating man should never be appointed teller. The teller should be an affable, agreeable, pleasant fellow who could remove the sting of a counterfeit note or worthless check by a bland smile and pleasing remark as he passed it back over the counter. The teller should be thoroughly posted on the law governing bank checks, their estoppel certification, identification and indorsement. He should promptly become familiar with the signatures of the customers of the bank; he should be an expert detector of counterfeits and be possessed of a strong memory of names and faces. He should be exceedingly cautious in allowing overdrafts, and when such a violation of the rules is permitted by him he should be earnestly informed of the fact by the cashier, in no uncertain tones, that he is assuming the prerogatives of the officers and bill committees and is loaning the funds of the bank without security. The bank tellers have it in their power to improve the condition of the currency in circulation and a good teller takes advantage of the opportunity. He should always endeavor to pay out good clean money and keep in separate packages the ragged and mutilated bills, to be forwarded for redemption at Washington. The note or collection teller should familiarize himself with all laws relating to protesting a note, when it is and when it is not necessary to protest paper. He should systematize the handling and keeping of all collections, notes and discounts; he should be a ready reckoner of time, familiar with the rules of interest and discount, look carefully after maturities, take proper care of all vouchers, be thoroughly acquainted with the "ticklers," look well to his collaterals and see that all checks on other banks offered in payment of collections, notes or discounts are properly certified. Foreign collections should be carefully assorted and consecutively numbered, and all time paper should be entered upon the "tickler" in order to keep it constantly under the eye of the foreign collection clerk.

All bookkeepers should be selected on account of efficiency. A dullard or stupid boy can upset the whole system of bookkeeping by filling his books with erroneous entries. Those of the longest experience should have charge of the general books. Enough men should be employed, and the mistake should be avoided of taxing one man's energies with too much work. The general bookkeeper should be a trusted man, of forethought, rapidity of penmanship and accurate in figures. Upon him devolves the preparation of statements, balance sheets and accounts current covering the whole business of the bank. He should be well versed in geography, for it is now the custom to forward individual checks for collection all over the nation, and he should know at once to what point to forward an item where it can be collected at the least cost to the bank. With the general bookkeeper eternal vigilance is the price of accuracy. The individual bookkeeper should be required to keep in touch with the paying teller and managers of the bank. His place is one of great responsibility, for an error in passing an item to the wrong account might cause the mispayment of funds with loss to the bank and, at the same time, be the means of a good customer leaving the bank for being wrongfully accused of having overdrawn his account. In small banks it is better for the individual bookkeeper to

secure his depositors' books a few days before the close of the month and enter up the checks and credits so as to facilitate the work and thus be enabled to give his customers their books balanced on the last day of the month. In large banks this is an impossibility, and the usual rule is to require the entire clerical force to remain at the bank the last night of the month and write up the pass-books of their customers. On such occasions it is customary for one of the officers of the bank to be in attendance and see that the work is done. All clerks should be at their posts at least an hour before the opening of the bank. There are numerous duties to be performed. Letters must be opened and their contents distributed in their proper channels; vacancies caused by temporary illness must be supplied by dividing the work among the clerks present; collections must be entered and ticketed, ready for the runners to start at the opening hour. Every clerk in the bank should confine himself to his particular line of duty, and when he has finished his work he should be willing to assist others. Clerks are in a position to make either friends or enemies to the bank. They should soon be impressed with this fact and govern themselves accordingly.

The first idea to be introduced into the head of the new bank clerk is that the entire business of the bank is private and confidential, and he who talks of bank affairs outside of the bank should be summarily discharged. The clerk should never forget that he is a gentleman. Loud talking, whistling or engaging in argument on any question, either religious, social or political, should not be permitted during banking hours. Noise or confusion disturbs other clerks and disgusts the customers of the bank. In calling off or checking accounts, clerks should not speak above a whisper, especially when calling off the balances of depositors. No business man desires to have his bank balance made public.

The position of a bank clerk is an honorable one. If he performs his work well it is a strong recommendation for him for future preferment, either in or out of the bank. He should never permit himself to be turned into a machine or drudge, but should use his best efforts to learn the bank work well in every department. There are many reliable old Tom Linkenwalters who have grown gray in banks as bookkeepers. It is impossible for every bank man to be an officer, but every clerk should be ambitious enough to make an effort for promotion. Only those who labor and study hard to learn the intricacies of banking rise to a higher position, while those who are too well contented and have no higher aspirations stick to the bottom round of the ladder. Bank clerks should be managed by kindness. Officers should not hold themselves aloof and view them from a pompous standpoint. A little sociability and kindness shown the clerks by an officer does no harm, but on the contrary has a tendency to elevate the clerk and relieve him from the impression that he is a mere hired man to work hard all the time and draw his salary when pay-day comes. An overbearing, dictatorial, tyrannical, bank officer is a nuisance not indictable by law. He is out of his place and should be relieved of his position at once. Such a man destroys the *esprit du corps* of the bank and makes a clerk's life almost unendurable. On the other hand, a good-natured, affable yet dignified officer always creates a deeper interest in the bank and its success among the clerical force. A vacation of at least two weeks each year should be allotted to each employe. The duties of bank men are very confining, and these vacations are not only necessary to health but give a rest to the body and relieve the mental wear and tear, which is much more damaging to business men than hard physical labor.—*A paper read by John W. Faxon, Assistant Cashier of the First National Bank, of Chattanooga, at the Tennessee Bankers' Convention.*

# BOOK NOTICES.

*The History, Organization and Influence of the Independent Treasury of the United States.* By DAVID KINLEY. A. B., Fellow and Assistant in Political Economy in the University of Wisconsin. New York: Thomas Y. Crowell & Co.

This is the initial book of a library of economics and politics, which is edited by Dr. Ely, of the University of Wisconsin, who has a widely known and merited reputation as an economic writer. The works that he has planned will be desirable additions to our economic literature if they are as valuable as the one before us. Much has been said in the way of defense and criticism of the independent Treasury system. The present work describes the method adopted in the beginning for managing the Government deposits; the use of State banks for that purpose, and then the organizing and maintenance of the independent Treasury system. The heart of the book is the chapter in which is described the influence of the independent Treasury on business. The author has well described the good and weak features of the system, which is now regarded with less favor than it was formerly; though since the deposits have run down to a much lower figure than they were two or three years ago criticisms on the system are less frequent. Briefly, the main criticism is that the system extracts so much money from business that it suffers from the withdrawal. To answer this question properly a preliminary inquiry is necessary. Should a reserve be kept somewhere in the form of money to respond to the wants of the Government? If there should be, then we fail to perceive why it should not be kept by the Government itself. For, if loaned to the banks and used by them then there is no reserve, and the Government might become bankrupt as it did in 1837. On the other hand, if the system was abolished, and the money was deposited with the banks and they really kept it, then it would be of no use to them, and they would not care to have it. In truth, the problem with those opposed to the system is to keep a reserve and not to keep one at the same time. They seem to think that if the Government money is put in banks and used by them it is nevertheless a reserve; and it is on paper, but not in fact. If the present crisis teaches us anything it is that a great fault of our banks is in lending too much of their resources. In other words, they do not keep enough money for contingencies. The tendency is to lend everything. This has been the evil of our monetary system from the beginning, springing partly from our limited capital, and partly from the desire to make as much money as possible. As long as this desire exists of lending every dollar, of paying no heed for the future, of taking no thought for panics, depressions and the like, we shall always be visited by them, and they will surely be more frequent and more severe if no precautions are regarded. The independent Treasury system, as a whole, has been a conservative system and has done much, in our judgment, to keep the finances of the country steadier than they would have been had the Government deposits been

confided to the banks. For if the Government deposits had been put in them and lent then there would have been no reserve, and there would have been a far more sensitive feeling than is now experienced. At the present time, when so many banks and great industrial concerns are failing there is no thought of failure by the Government. And why? Because its funds are in its own keeping. If they had been deposited with the banks, as the enemies of the present system contend they ought to have been, besides the existing troubles the Government also probably would have been on the edge of bankruptcy, for its deposits would have been beyond its control.

We commend this book to our readers. It contains the most intelligent description of the Treasury system that has been published.

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*People's Banks.* A Record of Social and Economic Success. By HENRY W. WOLFF. London: Longman's, Green & Co. New York. 1893.

This book contains a clear description of the various kinds of banks which have been organized in the leading countries of Europe for the especial purpose of providing means for the non-capital class who desire money to conduct their business. As every one knows, banks in all countries are generally organized for the purpose of lending their resources to persons or companies that have considerable means or credit. The less favored classes have never been regarded in creating these institutions, for they are not supposed to be engaged in enterprises requiring capital. It is true that in this country especially savings banks have been provided as places for them to deposit their money, which, in turn, has been chiefly employed in purchasing land and building homes for themselves. This is a worthy purpose surely, and the record of these institutions has been very excellent, but the People's Banks of Europe have had a very different origin. It has been seen that if many who are engaged in a small business had some money or credit they could accomplish much more. The small farmer, for example, if having funds to buy more animals, or to improve his land or to pay for his seed or labor, could gain a larger profit. The small shopkeeper also needs some capital to carry on his business successfully. The People's Banks were organized to furnish such assistance. The money is drawn from the classes themselves, and also from other sources. Mr. Wolff's book contains an exceedingly interesting record of these institutions. After describing in the first chapter the general plan of co-operation, the author proceeds to describe the credit associations of Schulze-Delitzsch, who was the first German to originate a scheme of co-operative banking. Schulze had a peculiar genius for this work, and the book contains an excellent description of his labors, his persecutions, and the success of his system. Next the Raiffeisen Loan Banks are described. The founder of these was distressed over the high rates of interest paid by those who tilled the land, and he determined to organize a system whereby money could be obtained and employed by them at lower rates. The third system of co-operative banks is the Italian, or Banche Popolari. This chapter is one of the most interesting in the book and a considerable portion of it will be put before our readers in an early number of the MAGAZINE. Next the Casse Rurali of Dr. Wollemborg

are described. These banks were organized more especially for the purpose of lending money to the Italian cultivators of the soil. This chapter is followed by three others on popular banking in Belgium, co operative credit in Switzerland and co-operative credit in France.

The book is the most systematic and intelligent account of these institutions which has been published. On the whole their record is most hopeful. Some mistakes and losses have occurred, but they have been trifling compared with the large number of banks and the peculiar risks incurred. It may be also justly said of them that they will bear a very favorable comparison with the better known and more pretentious banking institutions for honesty, prudence and ability, especially when banks are quaking all around us, and the whole system of Australian banks has gone under owing depositors over four hundred millions of dollars. Indeed, some of the great banks of the world might well turn to these humbler institutions and learn a lesson in honesty and prudence, which they so much need.

## BANKING AND FINANCIAL ITEMS.

### General.

Logan C. Murray on the Financial Situation.—One of the large rooms of the Art Palace was crowded with the delegates in attendance on the International Congress of Banking and Financiering, in response to a call for a special meeting to exchange views regarding the present financial situation in this country. The representatives of the local banks had also been invited to attend, and the response from officers of these institutions was large. The opening address was delivered by Logan C. Murray, of New York. He said that such a storm and wave of liquidation had passed over the country, beginning in New York and now extending itself to the Pacific Coast, as would indicate that the present low tide was a most appropriate time for the bankers and financiers of the country to discover the root of the trouble. It could not be denied that the banking institutions of the country had met the crisis with a wonderful show of strength. The determination of the President to convene Congress for the purpose of grappling with the root of the evil—the continued purchase of silver—was to be commended. The congress should give no uncertain sound to the sentiment that this evil must be eradicated from the commercial system. The results of the resumption of gold payments in 1879 should not and must not be disturbed, and the hands of the President should be upheld. It would seem opportune at this time to assure the investors of Europe, who have been returning our securities and taking our gold for them, that we have both the ability and the intention to maintain the gold standard. This idea could not be too strongly impressed upon the visiting financiers, and the congress should emphasize with no uncertain sound this patriotic intention, and thus quiet Europe on our intention of paying our debts in gold and not on a silver basis. The idea of putting out an interest-bearing debt in time of peace and prosperity simply for the purpose of forging a silver chain about the necks of the commercial world was suicidal and unpatriotic and a wrong to the people. The country had barely escaped a day of reckoning, and further delay in meeting this question might mean greater disaster. The speaker impressed upon the congress the necessity of reassuring foreign investors, so that they would not turn back the great avalanche of securities now held across the Atlantic, for fear that the United States will reckon their value in silver instead of in gold.

The World's Congress of Bankers.—Mr. Lyman J. Gage, president of the First National Bank of Chicago, called the congress of bankers and financiers to order and immediately surrendered the gavel to the permanent chairman, Mr. Charles Parsons, of St. Louis. After a few pleasantries between the Chicago banker

and the St. Louis chairman, Mr. Gage delivered the opening address, in which he said: "We find ourselves in a world of duties and responsibilities, of blessings and of penalties. We act and react upon society, and society reacts upon each and every one of us. In every department, however obscure, where a group of men find themselves, there exists, whether discovered or not, a true, an ideal system of relationships. Nature will not suffer herself to be coerced, but she willingly yields her most valuable secrets to the patient solicitation of those who diligently inquire. It is with supreme faith in this proposition that the world's congresses of 1893 have been inaugurated. Covering nearly every phase of human thought and interest, it may be hoped that these will take their place in history as the most honorable and useful features of the great Exposition, which gratefully celebrates the triumphs of the world finder in his noble effort to wrest from nature the then untold story of her mighty possessions beyond the seas. In the section of banking and finance, to which your convocation the more immediately relates, we enter a department of the highest importance. Perhaps in the whole field of human relationships to which I have alluded none are more delicate than those which we occupy. We have met at a time when a peculiar interest attaches to all forms of inquiry. There has lately swept over the land—nay, over the whole world—one of those reactionary waves which bring painful anxiety to all, loss and ruin to many. This phenomena may be regarded as nature's all-powerful protest against methods based, not on her imperial wisdom, but on fallacious and vain imaginings. Under the rod of discipline we do well to inquire as to the manner and extent of our transgressions, and to seek for the future ways of safety and peace." In assuming the chair Mr. Parsons said: "We are assembled here in this imperial city of Chicago, the astonishment and the wonder of the world for its vastness, for the rapidity of its growth, the grandeur of its business achievements, and still more by the marvelous Exposition now open to inspection to excite the admiration and intelligent praise of the civilized world. In 1830 Chicago did not exist. Only then was the surveyor at work laying out lots for the settler of the new town. And now comes forward this city of sixty-three years' growth, this exhalation from the borders of Lake Michigan, to do honor to the discoverer of a new world. The vastness of the scene, the variety of the subjects, are beyond description. It is safe to say no such display has ever been made, nor is it likely that within the next fifty years will there again such an inspiring panorama be spread before the nations." Mr. Parsons briefly touched upon the financial transactions of the world and upon the discussion of the money problems to be anticipated. J. J. P. Odell, president of the Union National Bank, gave the delegates to the congress a hearty welcome on behalf of the bankers of Chicago. Mr. Horace White read a paper on the financial situation. He began by saying that the most impressive fact in the world of finance was the dominance of the gold standard. It began in England nearly a century ago, and had conquered one country after another until all civilized nations were brought under its sway. Three international conferences have been called to stay its march, and none have been held to assist, but the movement has been as little impeded as an ocean steamer would be by the action of a debating society in its own cabin. Was all this due to human perversion or had it a rational cause founded in the needs of mankind? Beginning with the experience of England, a sketch was given of the coinage ratios established between gold and silver, showing how the Government and society had strenuously sought to keep both metals in circulation, but had failed in every instance, and never succeeded in having a staple currency, until they adopted the single gold standard. The experiences of the United States, France, Germany, Holland and Austria were next given. "Now," Mr. White continued, "if we find a movement of civilized mankind going on steady for a hundred years, working out, in different countries, uniform results, which commend themselves to successive generations, the presumptions are all in favor of that movement being beneficial." The speaker was so well convinced of this that if all power were placed in his hands he would not do anything different from it. He would consider it presumptuous to interfere with an obviously natural evolution in human affairs. Such an attempt would be futile, because it would be necessary to alter the preferences and likings of individual men. The secret thought which paralyzed the Brussels conference, and all other conferences, was, "what would happen the day after international bimetallism if individual men should continue to prefer one ounce of gold to sixteen ounces of silver?" The speaker thought that the scramble for gold would be more

pronounced the day after a bimetallic treaty than the day before, because everybody would suspect somebody else of gratifying his secret liking for gold at the expense of his neighbors. He considered the gold standard beneficial to all classes, and he examined and answered the various arguments advanced to show that it was detrimental to some. The present silver law, commonly called the Sherman law, was not bimetallism. It was based on the idea that the purchase of silver, and the issuance of Treasury notes against it, increases the supply of money in the country, whereas it diminishes it.

PANAMA AND SUEZ CANAL ACCOUNTS.—The *Annales Industrielles* estimates the total loss incurred at the Panama Canal at £38,000,000. Against this loss—considered from a National point of view—it argues, may be set the gain accruing from the Suez undertaking, which is put at £57,560,000, thus leaving a credit balance of £19,560,000.

MERCHANTS' BANK OF CANADA.—The annual statement of the Merchants' Bank of Canada has been issued. The statement shows the result of the business of the bank for the year ending May 31st last. The net profits of the year, after the payment of interest and checks and deducting appropriations for bad and doubtful debts, amounted to $604 395.38, as against $530,247.17. There was carried forward to profit and loss account $13,961.79, as against $3 733.28. The profits this year amount to about 10 1–16 per cent. on the capital. The total liabilities to the public amount to $14,530.657.03, against $13,948,188.34 last year, the deposits not bearing interest being about $226,000 greater than last year, the deposits bearing interest about $40,000 greater, balances due to Canadian banks about $11.000 greater, and balances due to agents in Britain $375.000 greater The liabilities to the stockholders have been increased by about $200,000. The liabilities show an increase of over $1,000,000. On the assets side the gold and silver coin held show a slight decrease, while the Dominion notes on hand amount to over $230,000. The holding of Dominion Government bonds has been increased by about $300,000, and of railway and municipal debentures by $135.000, while call and short loans on bonds and stocks have been reduced by over $871,010, or more than one-half, Time loans on these securities show a slight increase of about $20,000. Loans and discounts show an increase of $1,200,000, while those overdue have been reduced $20,000.

## EASTERN STATES.

BRIDGEPORT, CONN.—The Hon. Daniel N. Morgan, for many years president of the City National Bank, has resigned to accept the appointment as United States Treasurer, by President Cleveland, as the holding of both positions would be somewhat inconsistent. The resignation of Mr. Morgan was presented at a meeting of the Board of Directors, which was held at the bank recently. The directors expressed deep regret at the loss of so valued an officer, but knowing that his action meant increased honor for Mr. Morgan, it was readily accepted. The election of a successor resulted in the choice of Mr. Edwin G. Sanford, who for the past 17 years has been a director of the bank. The choice is an excellent one. Mr. Morgan has been president of the bank for the past 15 years, and during that time the business of the bank has increased yearly. He has been a faithful officer and his loss will be deeply felt. Mr. Morgan is also president of the Farmers and Mechanics' Savings Bank and the Bridgeport Hospital Corporation.

PORTLAND, ME.—At a meeting of the executive council of the Savings Bank Association, of Maine, Charles Rowell, treasurer of the Fairfield Savings Bank, was chosen treasurer of the association. A careful examination and discussion was had on the subject of the tax last assessed, and it was unanimously voted that in the opinion of the council the increase of the State tax resulting from the new law for the half year lately expired is not sufficient in amount to make it expedient for the banks to resist payment of the tax last assessed.

PEABODY, MASS.—The South Danvers National Bank of Peabody was established in 1825, and after a prosperous business career of sixty-eight years on one spot, the change of the business center of the town and the need of modern conveniences made it apparent to the directors of the institution, that a change of location was not only desirable but necessary in order to attract a share of the new busi-

ness of the town. Therefore a new site was bought near the square and a building started in May, 1892, which has just been completed. The new quarters have all the best features of the modern banking establishment. the counters are of solid quartered oak, the top finished with the beautiful brass grill work, the furniture and desks are of the latest and most approved pattern, with every convenience, and are also of quartered oak. Entrance to the area behind the desk is guarded with grill doors upon which are electric fastenings which can only be operated by those upon the inside, the room devoted to the use of the patrons of the safe deposit boxes being similarly protected. The bank has a money vault with all the latest fire and burglar proof attachments and safety deposit boxes. The need of safety deposit boxes having long been felt in town, a special provision has been made for this by furnishing a room entirely shut off from other portions of the building, where the boxes can be opened and contents examined by the owners without interruption. The book vault is separated from the money vault, thus allowing the money and all pertaining thereto to be securely locked up with time locks at the hour appointed for the close of business. A large vault is also provided for the storage of silverware and valuables of a similar nature.

TURNER'S FALLS, MASS.—The stockholders of the Crocker National Bank, of Turner's Falls, have reduced its capital from $300,000 to $200,000 There were 2,400 shares represented at the meeting This is regarded as a strengthening move. The bank is prosperous, but $300,000 capital is more than can be employed in the village of Turner's Falls and the immediate vicinity. In order to pay dividends the directors would have to seek outside and less desirable business. The bank has a surplus of $50,000, and the undivided profits. according to the report March 6, amounted to $13,317. The Palmer National Bank recently reduced its capital stock, paying back the proportion at par. By this action it was able to increase its dividends. It has been customary with banks in this State to keep the surplus intact when the capital is reduced.

WORCESTER, MASS.—June 9th was the 40th anniversary of Mayor Marsh's first engagement with the Central National Bank, of which he is now president. This makes him the senior bank official of Worcester. Mr. Marsh entered the service of the bank as a clerk on June 8, 1853. He was elected cashier on Oct. 6, 1862, and was chosen president by the directors Jan. 12, 1892.

NEW YORK CITY.—The Bowery Savings Bank's new building is to cost half a million dollars when finished. Work has been commenced upon the Grand street wing. It will take about a year to complete it, and then the bank will move from its present quarters on the Bowery side to allow of the old structure being torn down and a handsome new front being raised. The design was made by McKim, Meade & White, who were in competition with a number of other architects. The ground embraces six city lots—two lots on the Bowery and 100 feet on Grand and Elizabeth streets. The principal feature of the structural arrangement will be a dome, supported by marble columns. The main entrance will be in a corridor 50 feet wide, 100 feet long and 22 feet high. This corridor will be floored in mosaic and the walls will be of enameled brick. Above, on the second floor, will be the directors' room. The ceiling of the dome room will be over 60 feet in height. The marble columns and pilasters will have gilded capitals. The cashier's counter, inclosing the central area of the room, will be 8 feet high and will be of Sienna marble and bronze grilled mahogany. The restaurant, electric and steam-heating plants will be in the basement, which will be of granite. The superstructure will be of Indiana limestone. The entrance on the Bowery will be flanked by two fluted columns, and on the Grand street side there will be four of these columns.

BUFFALO, N. Y.—The contest between the city and the banks over the payment of interest on the deposits has ended by an agreement to pay 2½ per cent.

FONDA, N. Y.—One of the most interesting personages in Central New York, and perhaps in the State, is Daniel Spraker, of Fonda. Mr. Spraker is prominent because of his advanced age, and because he is the head of the Spraker family, which for over a century has been conspicuous in the Mohawk Valley on account of its wealth, enterprise, and social and political influence. George Spraker, the earliest ancestor of the family, was a native of Saxony, and settled at Palatine Bridge, N. Y., about the year 1775. Daniel Spraker was one of six sons of Jost Spraker, all of whom were reared at the old homestead on the Mohawk turnpike at Sprakers,

N. Y., and is now the only survivor. He was born August 26, 1798. The paternal homestead is well known not only in the State but beyond the limits. Before the time of railroads travelers through the Mohawk Valley were entertained there. It was also a point at which relay horses for stage coaches were supplied. At the age of 21 years Daniel Spraker began business for himself at Spraker's Basin. He was engaged in the mercantile, storage and forwarding business on the Erie canal and was the leading merchant of the Mohawk Valley. In 1853 the Spraker Brothers established the Spraker Bank at Canajoharie, and in 1856 the Mohawk River Bank at Fonda, which is now a National bank. Mr. Spraker moved to Fonda and became its president, which position he still fills. Notwithstanding his advanced age of 95 years, he is a daily visitor at the banking house and consults the cashier, J. Ledlie Hees, and other officials concerning the business of the institution.

ROCHESTER, N. Y.—The finance committee of the common council has selected the depositories for city moneys. The same banks as were designated last year were again chosen. They are the Traders, German-American, Central and Commercial. The banks will allow 4 per cent. on bond deposits, as heretofore.

RIVERHEAD, L. I.—A striking illustration of the growth of Long Island and at the same time of the rapidity with which a little capital carefully and judiciously invested will increase and assume great proportions, is furnished by the facts regarding the Riverhead Savings Bank elicited at the time of the celebration of its twenty-first anniversary. The bank started twenty-one years ago in the smallest sort of a way and the growth of this section of the Island in which it is located is indicated by the fact that it now has over 5,000 accounts aggregating nearly $2,000,000. Fully as remarkable are the figures showing the accumulation of the bank's surplus. On July 1st, 1872, when it was one month old, the surplus amounted to $5.37. Now after twenty-one years of prudent financial management this surplus has grown to the great sum of $188,000. The officers of this institution have cause to be proud of the excellent record which it has made under their careful management.

PHILADELPHIA.—President Michener, of the Bank of North America, has perfected the plan for the erection of the bank's new home. The main building will be one story in height, with a facade of highly polished light granite. The roof of this building will be on a level with the four-story structure to be erected in the rear, which will contain the directors' room and dining rooms for the officers and clerks of the institution. The main banking room will be 50 by 100 feet, with splendid vault facilities. The building complete will cost over $300,000.

VERMONT.—Ex-Gov. E. J. Ormsbee has been appointed assignee of the Vermont Investment Company, of Orwell. The company, it appears, did precisely the same business as the Northwestern Guaranty Loan Company. It took Western mortgages, on which it issued debenture bonds at a lower rate of interest. The mortgage usually paid 7 per cent. interest, while the debenture bonds were issued at 5 and 6 per cent. These bonds are perfectly good, as they are secured by the mortgages held by the company. However, it is likely to be several years, perhaps four or five, before they can be paid. Besides the farm mortgages the company dealt in short time commercial paper, and this is what swamped it. The company guaranteed the payment of these notes and, on account of the panicky feeling over Western paper, have been unable to negotiate any of this paper recently. Neither was the company able to secure the payment of the notes in the West.

ST. JOHNSBURY, VT.—Comptroller Eckels has appointed Elisha May, of St. Johnsbury, Vt., examiner of National banks. Mr. May is an attorney and an expert accountant, about 40 years of age, and was indorsed by Col. Bradley Smalley and other prominent Vermont Democrats. His appointment will not drive the present Republican examiner from the service, for Comptroller Eckels expects to find plenty of work for both of them for the present. Mr. May has already been here learning something of the duties of the office, and made a very pleasant impression upon the Comptroller.—*St. Johnsbury Republican.*

## WESTERN STATES.

LITTLE ROCK, ARK.—Col. Roots, one of the best known men in Arkansas and formerly president of the First National Bank of Little Rock, died on the last day of May. He was the youngest son of Prof. B. G. Roots, the famous educator of

Illinois, and was born on a farm in Perry Co., Ill., March 26, 1841. He was early taught that thoroughness and industry were the keys to success. During his school days he managed to earn a very considerable portion of the amount necessary to his maintenance, and graduated at the Illinois State Normal University with the first honors of the class of 1862. He was with Gen. Sherman on the march to the sea, and after participating as an officer on Gen. Sherman's staff in the grand review at Washington in May, 1865, he came West with Gen. Sherman and was ordered on duty in Arkansas. He formed an attachment for the State and bought a cotton plantation before the acceptance of his resignation as an officer of the army He was a member of the Fortieth and Forty-first United States Congresses, and though at the time the youngest member of Congress, he did not fail to accomplish practical beneficial results. He induced liberal grants and aids to his section of country. He introduced the first bill for the creation of the Texas Pacific Railway Company. He introduced the bill which resulted in the establishment of the United States water gauges upon our rivers, which system has been so beneficial during the recent floods. He had been the president of the Lumbermen's Association of the State of Arkansas. He was president of the Arkansas Loan and Trust Company, which has been an efficient agency in the introduction of capital for developing enterprises. He was a director and for many years president of the First National Bank of Little Rock, which has always been notably liberal in the encouragement of manufactories and corresponding enterprises. He was the first president of the Arkansas State Bankers' Association.

IDAHO.—Col. H. E. Linsley, a capitalist well known in the Northwest, has applied for a charter for a National bank to be established aboard a barge, which he proposes moving among the mining towns of Lake Kootenai, Idaho, none of which can support a bank, though in need of the facilities of one. This scheme may float a large indebtedness.

CLAY CITY, IND.—The capital stock of the Clay County Bank at Clay City will be increased to $35,000.

IOWA.—State Bank Examiner McCarthy, who was Deputy State Auditor under Mr. Lyons, has returned from a five weeks' tour among the banks of Iowa. He visited nearly all the towns in the Northwestern counties and also visited the Southern part of the State. He has found affairs at all the banks in a first-class condition. Indeed, he says the banks of the State are in a better condition now, in fact, than they have been for years. Col McCarthy says he has not found any evidence of a lack of confidence in the banks anywhere he has been. He visited a large number of cities and found enormous quantities of money on hand. There is little or no nervousness anywhere in the State so far as he has traveled, on the part of the depositors. The bankers, however, are prepared for every emergency. In truth, the bank examiner says that they are all loaded and groaning with the money they have on hand. Generally, they have stopped making loans except to customers, of course, and are waiting for the turn of the tide toward a loosened money market, which seems already to have begun.

COUNCIL BLUFFS, IOWA.—The second annual convention of the Iowa Bankers' Association was held at Council Bluffs. Two of the addresses are published in the present number of the MAGAZINE. M. B. Hutchinson, cashier of the First National Bank, of Ottumwa, read a short paper upon the topic, "Iowa Bankers, Their Duty to the Business Interests of the State and to Each Other." The speaker suggested several duties owed by bankers as suggested by the subject, but the chief point he urged was that Iowa banks should retain more of their reserve fund within the State instead of being sent to the great money centers, as is now the case. The great part of the funds of the State should be kept here for the development of Iowa The result would be the development of domestic industry, and that great financial panics would become things of the past. Hon. E. H. Thayer, president Iowa State Road Improvement Association read a paper on "Good Roads and How They Affect Our Financial Condition." The speaker favored the voting of bonds by townships for the construction of roads. Iowa contributed annually $8,000,000 to the road fund and the whole country $250,000,000. In anticipation of a short afternoon session F. E. Wettstein, cashier of the First National Bank, of Laporte City, read before dinner the paper which was to have been delivered first this afternoon upon the subject, "The Young Man in

Banking." In the afternoon C. G. McCarthy, Auditor of State, addressed the convention upon the subject, "State and Savings Banks in Iowa." He was followed by Hon. W. H. M. Pusey, of this city, who spoke in a most interesting manner upon "Risks and Reminiscences of Pioneer Banking." The election of officers resulted as follows: secretary, J. M. Dinwiddie, Cedar Rapids; treasurer, J. F. Latimer, Hampton; president, W. A. McHenry, Denison; first vice-president, Simon Casady, Des Moines; district vice-presidents, J. W. Garner, Columbus Junction; F. Heinz, Davenport; W. W. Donnan, Independence; S. B. Zeigler, West Union; Dr. George Glick, Marshalltown; M. B. Hutchinson, Ottumwa; O. L. Wright, Knoxville; C. T. Cole, Corning; A. S. Riley, Defiance; A. C. Brown, West Bend; H. N. Smith, Spencer. The place for holding the meeting of the association next year will be Des Moines. Several cities and towns, through delegates present, invited the convention, but Des Moines was preferred.

MICHIGAN.—"Financial matters in Lansing are quieting down a little," says Bank Examiner T. C. Sherwood. "The Ingham County Bank will be reorganized and $50,000 added to the capital, making $100,000 in all. The other bank is in the hands of the receiver, George W. Stone, ex-auditor-general, having been named by the courts for the place. The failure of the bank is due entirely to the failure of the Lansing Lumber Company, in which there is a grain of comfort for me. It is a bad thing for Lansing, a very bad thing. This is the second failure of a State bank since my incumbency of the office, four years and four months. The other one was the Milford Bank, and it occurred really before my administration began. The banks in this State are in a generally prosperous condition and seem to have a good year before them."

MICHIGAN.—Bank Commissioner Sherwood has issued a statement showing the condition of the 194 State banks and three trust companies doing business in Michigan. It shows the total resources of these institutions to be $84,276,584.34. Their total liability represented by deposits is $67,431,250. If every depositor, therefore, should withdraw his money from the 194 State banks and three trust companies, there would yet remain a surplus of $16,845,334.34.

LANSING.—The stockholders of Ingham County Savings Bank which closed its doors a few weeks ago, and which has since been in the hands of the bank commissioner, have agreed upon a plan which will enable the bank to reopen. Additional stock to the amount of $50,000 has been subscribed. Gen. D. B. Ainger, late National Bank Examiner for Michigan, and at present Deputy Auditor General, was elected general manager.

MINNEAPOLIS, MINN.—Minnesota has been made a special bank examination district, and Col. Brush, the present bank examiner for this State and Wisconsin, is to retain his position. In speaking of his retention, Comptroller Eckels said that he had known Col. Brush for many years, and he regarded him as a very capable man. Hereafter there will be two examinations of National banks each year instead of one, as at present, and the law regarding penalties where banks are found to be doing business in a loose manner will be rigidly enforced.

NORTH MINNEAPOLIS, MINN.—The Standard Bank of North Minneapolis has increased its capital from $35,000 to $50,000.

RED WING, MINN.—A city of 7,000 people which can boast of bank deposits amounting to over $1,050,000, or about $150 to every man, woman and child, ought to be pretty substantial financially to say the least. Such a city is Red Wing. The statements just made by the three banks, two State and one National, which are required to make statements, show deposits at the close of business on May 4, amounting to $976,904.08, of which nearly $750,000 are in the form of time and demand certificates. Now, the Goodhue County Savings Bank is not included in this. Add its deposits to the total given here and we have a grand total of deposits well on to $1,050,000. In other respects the three banks also make a fine showing. The total of their loans and discounts at that time was $112,990.91, and they had cash on hand amounting to $95,221. The combined capital invested in the business is $211,000; the surplus and undivided profits, $77,027.14. Include the other State banks of the county, Pine Island, Zumbrota and Kenyon, and we find a total of deposits in all amounting to $1,391,149.95. Now, besides these there are private banks at Kenyon, Pine Island and Cannon Falls; banks at Hastings, Northfield,

Mazeppa and Lake City have deposits belonging to Goodhue County. So an estimate that the deposits of Goodhue County people in banks aggregate over $1.500,000 is too low if anything. Goodhue County's State and National banks have a combined capital of $291,000, of surplus and undivided profits amounting to $142,459.94, and loans and discounts aggregating $1,373,400.39.—*Zumbrota Independent.*

ST. CLOUD, MINN.—At a meeting of the directors of the German National Bank it has been decided to increase its present paid up capital from $50,000 to $100.000.

ST. LOUIS, MO.—At the annual election of the Bank Clerks' Association, of Missouri, the following directors were chosen: John Clemens, Jr., of the Boatmen's Bank; A. G. La Barge, Boatmen's; F. Diehm, Fourth National; C. E. Kircher, German-American; John C. Russell, National Bank of the Republic; F. Falkenbainer, St. Louis National; H. Miller, State Bank; E. S. Pepper, Third National; C. S. Warner, Chemical National; Walter Hill, American Exchange; B. F. Edwards, Bank of Commerce. The trustees chosen were C. W. Bullen, of the National Bank of the Republic; F. W. Biebinger, Fourth National; J. H. McCluney, State Bank; T. A. Stoddard, Third National, and J. Nickerson, Merchants' National.

SPRINGFIELD, MO.—The Exchange Bank, of Springfield, has filed notice of decrease of capital from $250,000 to $150,000.

COLUMBUS, OHIO.—At a meeting of the stockholders of the Iowa Savings Bank, held recently, it was decided to increase the capital stock from $100,000 to $150,000.

RACINE, WIS.—The directors of three National banks at Racine have signed a joint guarantee for all deposits in their banks or for all money that may be deposited therein during the present year. They are the wealthiest men in the city.

## SOUTHERN STATES.

GEORGIA.—The Georgia Bankers' Association convened at Savannah on the 8th of June. There were about 100 delegates and guests present. President M. B. Lane, of Savannah, called the convention to order and, after prayer by Rev. S. A. Goodwin, the roll call showed a large attendance of delegates, nearly every banking house belonging to the association being represented. Colonel C. H. Olmstead welcomed the delegates to Savannah, and Mr. James T. Davis rendered the thanks of the convention for the warm hospitality with which they had been received. The report of the secretary, L. P. Hillyer, of Macon, showed that the association, organized at Macon, had fifty members. This number had since been increased to ninety six, but afterwards decreased to ninety-one by five failures, three of which were in Brunswick. Four interesting papers were read by delegates on current financial and banking topics. "Security of Savings," by William Slade, of Columbus, presented some excellent ideas on sound money. F. S. Etheridge in his paper, "Country Banks and Bankers," hit par point fallacy a heavy blow. James H. Hunter, of Savannah, presented some good ideas on credits. Captain R. J. Lowry told about gold in Georgia from the time of the De Soto invasion up to date. Mr. T. B. Neal, representing the Clearing House of Atlanta, offered a resolution passed by that body a few days ago, asking the repeal of the Sherman Silver Law. The motion brought on much discussion until finally Mr. Neal made a motion that his resolution and one introduced by R. F. Burdel, of the Savannah Clearing House, be referred to a committee of one from each Congressional district. The committee considered the resolutions and brought in one to the effect that Georgia's Senators and representatives in Congress be requested to use every effort to urge the repeal of the Sherman Silver Law, which, the resolution held, was of great injury to the financial and commercial interests of our country. The resolution also favored free coinage of all the silver the people can use provided each dollar shall contain enough silver to purchase 100 cents worth of gold anywhere in the world. A copy of the resolution will be sent to President Cleveland. A resolution was introduced by R. F. Burdell that the Administration be memorialized by the Georgia bankers to establish a sub-treasury in Savannah. This brought considerable discussion from the Atlanta bankers. Captain Lowry thought it all right except as to the locality. It was finally amended to read "for Georgia," so that it could be located at the option of the President. On the next day the first matter taken up was the plan to get

a sub-treasury for Georgia on which a committee was appointed to prepare a memorial. Colonel C. H. Olmstead, chairman, presented a report signed by himself, Captain Lowry and Mr. G. Gumby Jordan, recommending the adoption of the memorial they had prepared, petitioning the President and Secretary of the Treasury, Comptroller of the Currency and all members of Congress to do all in their power to get a sub-treasury for Georgia. Copies of the memorial will be sent to each of the above with a personal letter. The officers elected for the ensuing year were: R. H. Plant, Macon, president; T. B. Neal, G. G. Jordan, C. H. Olmstead, J. S. Davis and L. C. Haynes, vice presidents; L. P. Hillyer, secretary, and J. N. Cabaniss, treasurer; executive committee—Captain John A. Davis, Albany, chairman, and Messrs. J. T. Culpepper, Frank Sheffield, M. B. Lane, R. J. Lowry, B. T. Hughes, W. A. Wilkins, C. C. Saunders and J. G. Rhea. Mr. Jacob Haas offered a resolution favoring the extension of the National bank system on the plan suggested by Horace White, of New York, and as second choice, the repeal of the 10 per cent. tax on State circulation. The resolution was referred to the executive committee, and the resolutions they formulate will be mailed to every bank and their vote recorded. An invitation was presented by Captain R. J. Lowry in behalf of the Clearing House Association of Atlanta to hold the next meeting of the convention there. It was unanimously accepted and the thanks of the convention were extended.

GEORGIA.—A paper read at the meeting of the State Bankers' Association in Savannah, by Capt. Lowry, of Atlanta, showed that the value of gold mined in Georgia up to 1832 was $532,000. while the total value up to 1892 was $8,935,853, not including that obtained during the Civil War, and other gold unaccounted for. The total will probably reach $10,000,000.

LOUISVILLE, KY.—The stockholders of the Second National Bank, on Main street, are at present considering a suspension of their 6 per cent. annual dividends with a view of accumulating a larger surplus and strengthening the institution just that much more. The plan is to increase the surplus from $60,000 to $100,000 or $150,000. So far as ascertained, it is considered very favorably by the stockholders. The Second National Bank is simply following in the footsteps of the Bank of Commerce, the Louisville Banking Company, the Farmers and Drovers', the Kentucky National, and possibly one or two others in this respect.

## PACIFIC STATES.

WASHINGTON.—The Comptroller of the Currency has appointed Thos. E. Jennings, formerly of Nashville, to the office of National Bank Examiner for the Pacific Coast States. It is understood the office will pay something like $5,000 per annum. His younger brother, Robt. W. Jennings, it will be remembered, was elected last November to the office of Attorney-General for the Port Townsend, Wash., district.

## FOREIGN.

CANADA.—The second annual meeting of the Bankers' Association, of Canada, opened in the council chamber of the Board of Trade, of Toronto. Mr. George Hague, of the Merchants' Bank, Montreal, presided, and there were about forty present from all parts of the Dominion. The visiting members were welcomed by Mr. Brodie and responded for by Mr. Bousquet, Montreal, after which Mr. Hague delivered his annual address and reports were received from the executive and the secretary-treasurer. In the evening an elaborate banquet was tendered the members by the Toronto bankers in the Rotunda, which was specially prepared for the occasion.

MONTREAL.—On the 6th of June the officials of the Bank of Montreal laid the record of their year's work before their shareholders. The Bank of Montreal's preeminence among the banking institutions of the Continent gives to its annual statement a peculiar significance; it is a veritable barometer of the condition of the country. It is therefore satisfactory to note that during the past twelve months the bank's business was of the satisfactory nature revealed in the report of the president, Sir Donald Smith. To have distributed $1,200,000 in dividends and added $125,000 to the already fat balance of profit and loss account is at once an indication of the bank's capable management and of a not unsatisfactory condition of the country.

It is not to be wondered at that Sir Donald Smith in his address should say that "at no time during the last seventy-five years was the Bank of Montreal in a better position in every way for the purposes for which it is intended—that of giving the best dividend possible to the shareholders, while properly safeguarding their capital, and promoting the development of the material interests of Canada, than it is at this time."

The reports of the New York Clearing-house returns compare as follows:

| 1803. | *Loans* | *Specie.* | *Legal Tenders.* | *Deposits* | *Circulation* | *Surplus.* |
|---|---|---|---|---|---|---|
| June 3 | $416,690,200 | $70,156,400 | $58,683,900 | $431,411,200 | $5,570,500 | $20,987,500 |
| " 10.. | 414,400,200 | 69,529,300 | 49 623,000 | 418,925,600 | 5,613,500 | 14,420,900 |
| " 17.. | 410,700,400 | 68,218,400 | 42,192,500 | 406,536,400 | 5,650,500 | 8,776,800 |
| " 24.. | 405,986,100 | 65,923,200 | 39,074.800 | 398,664,100 | 5,553,400 | 5,481,975 |
| July 1 | 413,650,400 | 62,988,300 | 37.758,200 | 397,979,100 | 5,618,400 | 1,251,725 |

The Boston bank statement is as follows:

| 1893. | *Loans.* | *Specie.* | *Legal Tenders* | *Deposits.* | *Circulation.* |
|---|---|---|---|---|---|
| June 3 | $149,776,500 | $6,383,300 | $5,871,000 | $127,807,300 | $5,104,500 |
| " 10 | 149 744,400 | 6,309,600 | 5,938,300 | 126,987,800 | 6,120,400 |
| " 17 | 148,576,900 | 6,495,200 | 6,085,200 | 127,045,900 | 6,099,400 |
| " 24 | 148,576,900 | 6,577,400 | 6,223,500 | 124,072,600 | 6,151,000 |

The Clearing-house exhibit of the Philadelphia banks is as annexed:

| 1893. | *Loans.* | *Reserves.* | *Deposits.* | *Circulation.* |
|---|---|---|---|---|
| June 3 | $102,696,000 | $27,984,000 | $102,047.000 | $3,574,000 |
| " 10 | 102,634,000 | 27,031,000 | 100,210,000 | 3,560,000 |
| " 17 | 22,894,000 | 23,495,000 | 99.554,000 | 3,591,000 |
| " 24 | 22,944,000 | 24,806,000 | 98,016,000 | 3,666,000 |

## *DEATHS.*

COCHRAN.—On May 19, aged eighty-three years, JOSEPH COCHRAN, President of First National Bank, Georgetown, O.

DREXEL.—On June 30, aged sixty-seven years, A. J. DREXEL, of the firm Drexel, Morgan & Co., Philadelphia and New York.

ELLIOT.—On June 10, aged seventy-four years, LEWIS R. ELLIOT, President of Guilford Savings Bank, Guilford, Conn.

MARSHALL.—On May 24, aged thirty-five years, O. A. MARSHALL, Cashier of Peoples National Bank, Brattleboro, Vt.

MARTIN.—On June 2, aged sixty-three years, HUGH MARTIN, President of Sussex National Bank, Seaford, Del.

MCMILLAN.—On June 7, aged fifty-one years, GEORGE MCMILLAN, Cashier of Mechanics Bank, Brooklyn, N. Y.

MERRIAM.—On May 22, aged seventy-one years, E. N. MERRIAM, Cashier of National Bank of Ogdensburg, N. Y.

ROOTS.—On May 30, aged fifty-two years, LOGAN H. ROOTS, President of Arkansas Loan & Trust Co., Little Rock, Ark.

TUTTLE.—On May 27, aged seventy-six years, JOHN P. TUTTLE, Treasurer of New Haven Savings Bank, New Haven. Conn.

WOOLWORTH.—On June 10, R. C. WOOLWORTH, President of Crocker-Woolworth National Bank, San Francisco, Cal.

## NEW BANKS, BANKERS, AND SAVINGS BANKS.

*(Monthly List, continued from June No., page 949.)*

| *State.* | *Place and Capital.* | *Bank or Banker.* | *Cashier and N. Y. Correspondent.* |
|---|---|---|---|
| ARK.... | Hot Springs.... | State Exchange Bank..... | National Park Bank. |
| | $25,000 | Henry W. Myar, *P.* | Simeon B. Smith, *Cas.* |
| | | Jno. B. Varnadore, *V. P.* | |
| CAL.... | San Leandro... | Bank of San Leandro.... | J. & W. Seligman & Co. |
| | $25,000 | S. Huff, *P.* | Chas. H. Hale, *Cas.* |
| | | R. S. Farrelly, *V. P.* | |
| " | ..Santa Clara.... | Santa Clara Valley Bank.. | Chemical National Bank. |
| | $200,000 | David Henderson, *P.*.... | Wm. M. Burnop, *Cas.* |
| | | A. Block, *V. P.* | |
| " | . Visalia..... | Producers Bank..... | Western National Bank. |
| | $60,000 | W. F. Thomas, *P.* | S. Mitchell, *Cas.* |
| | | J. S. Berry, *V. P.* | Geo. W. Small, *Asst.* |
| COL.... | Littleton..... | Bank of Littleton..... | ..... |
| | | R. W. English, *P.* | A. H. Crawford, *Cas.* |
| DAK. N. | Towner..... | Towner Merchants Bank. | ..... |
| | $10,000 | Andrew Gilbertson, *P.* | John Lohn, *Cas.* |
| | | O. Gilbertson, *V. P.* | |
| DAK. S. | Elkton..... | First State Bank ..... | Chemical National Bank. |
| | $30,000 | Andrew P. Bertelsen, *P.* | Grant Matthews, *Cas.* |
| | | John S. Tucker, *V. P.* | |
| " | ..St. Lawrence... | Poor Man's Bank ..... | Western National Bank. |
| | $6,750 | | Alfred E. Bills, *Cas.* |
| " | ..Wakonda..... | Bank of Wakonda..... | ..... |
| | $15,000 | L. T. Swezey, *P.* | M. J. Chaney, *Cas.* |
| | | C. H. Barrett, *V. P.* | |
| " | ..Wilmot..... | Bank of Wilmot..... ... | Bank of New York N. B. A. |
| | $5,000 | Wm. McKusick, *P.* | W. J. Speer, *Cas.* |
| | | C. C. Draves, *V. P.* | |
| D. C.... | Washington.... | Whitford & Co. ..... | Chemical National Bank. |
| | | E. L. Whitford, *Mgr.* | J. Eliot Wright, *Cas.* |
| FLA.... | Eau Gallie..... | State Bank ..... | Importers & Traders Nat. B'k. |
| | $16,000 | John Aspinwall, *P.* | E. G. Vivell, *Cas.* |
| | | Wm. Trentler, *V. P.* | |
| " | ..St. Petersburg.. | St. Petersburg State B'k.. | United States National Bank. |
| | $9,000 | John A. Bishop, *P.* | Herbert A. Bishop, *Cas.* |
| | | Lyndon Y. Jenness, *V. P.* | |
| ILL... | .Bluffs..... | Bank of Bluffs..... | ..... |
| | $10,000 | John Knoeppel, *P.* | Francis Linkins, *Cas.* |
| | | William McCaleb, *V. P.* | |
| " | ..Camp Point.... | Peoples Bank..... | ..... |
| | $20,000 | M. W. Callahan, *P.* | Hez. C. Henry, *Cas.* |
| | | Chris. S. Booth, *V. P.* | Mattie C. Farlow, *Asst.* |
| " | ..Chicago ..... | Haymarket Produce Bank. | National Bank of N. America. |
| | $50,000 | (Arnold Bros., Baker & Co.) | |
| " | ..Decatur..... | National B'k of Decatur.. | ..... |
| | $100,000 | Kilburn H. Roby, *P.* | B. O. McReynolds, *Cas.* |
| | | D. S. Shellabarger, *V. P.* | Geo. W. Bright, *Asst.* |
| " | ..Ellsworth..... | Bank of Ellsworth..... | ..... |
| | | Chas. A. Shinkle, *P.* | |
| " | ..Jonesboro ..... | Bank of Jonesboro..... | ..... |
| | | David W. Karraker, *P.* | Henry W. Karraker, *Cas.* |
| | | P. T. Chapman, *V. P.* | |
| " | ..Kewanee.....Kewanee National Bank.. | | Chase National Bank. |
| | $50,000 | Geo. A. Anthony, *P.* | Robert E. Taylor, *Cas.* |
| | | D. K. Fell, *V. P.* | |
| " | ..Stonington..... | Housley & Drake..... | ..... |
| IND.... | Hartford City.. | First National Bank. .... | National Park Bank. |
| | $50,000 | Wm. B. Cooley, *P.* | Chas. W. Cole, *Cas.* |
| | | Daniel W. Riddia, *V. P.* | Michael Schmidt, *Asst.* |
| " | ..Lowell ..... | State Bank..... | ..... |
| | $25,000 | | F. E. Nelson, *Cas.* |

| *State.* | *Place and Capital.* | *Bank or Banker.* | *Cashier and N. Y. Correspondent.* |
|---|---|---|---|
| IND. | Summitville.. . | Citizens Bank..... | United States National Bank. |
| | $25,000 | Thomas W. Sullivan, *P.* | W. H. Dobson, *Cas.* |
| | | | A. B. Hardgrave, *Asst.* |
| " | ..Walkerton. .... | Farmers Bank..... | ..... |
| | $15,000 | John E. Johnson, *P.* | Thompson Turner, *Cas.* |
| | | Morgan Johnson, *V. P.* | |
| " | ..Williamsport .. | Williamsport State Bank.. | ..... |
| | $50,000 | Fremont Goodwine, *P.* | Isaiah P. Smith, *Cas.* |
| | | John Ridenour, *V. P.* | Julia V. Nichol, *Asst.* |
| IND. T. | .Marlow..... | Bank of Marlow..... | Central National Bank. |
| | $20,000 | Wm. H. Payne, *P.* | Harry L. Jarboe, Jr., *Cas.* |
| | | A. B. Smythe, *V. P.* | |
| IOWA | ..Cedar Rapids .. | Iowa Savings Bank..... | ..... |
| | $50,000 | James H. Douglas, *P.* | J. W. Bowdish, *Cas.* |
| | | W. F. Severa, *V. P.* | V. A. Jung, *Asst.* |
| " | ..Janesville.... . | Savings Bank of Janesville. | ..... |
| | $10,600 | G. L. Davis, *P.* | F. H. Schlutsmeyer, *Cas.* |
| | | E. F. Shaw, *V. P.* | |
| " | ..Larchwood..... | Savings B'k of Larchwood | ..... |
| | $45,000 | B. L. Richards, *P.* | Chas. Shade, *Cas.* |
| " | ..Sioux City..... | Woodbury Co. Sav. B'k.. | ..... |
| | $50,000 | Wm. Milchrist, *P.* | F. B. Goss, *Cas.* |
| | | J. P. Martin, *V. P.* | |
| " | ..Whittemore ... | Whittemore State Bank. | ..... |
| | $35,000 | G. E. Boyle, *P.* | Corry Ridgway, *Cas.* |
| | | J. M. Farley, *V. P.* | |
| KAN. | ..Atwood..... | Bank of Atwood..... | ..... |
| | $5,294 | Frank S. Howard, *P.* | Chas. F. Howard, *Cas.* |
| | | R. J. Howard, *V. P.* | |
| " | ..Goodland ..... | Farmers & Merch. B'k... | Hanover National Bank. |
| | $25,000 | Chas. W. Smith, *P.* | Robert H. Northcott, *Cas.* |
| " | ..Hope ..... | Hope State Bank..... | Chase National Bank. |
| | $15,000 | William Koch, *P.* | Thos. C. Sawyer, *Cas.* |
| | | J. N. Ketchersid, *V. P.* | |
| KY. | ....Crittenden ..... | Tobacco Grow'rs Dep. B'k | ..... |
| | $15,000 | Wm. J. Zinn, *P.* | John T. McClure, *Cas.* |
| | | Littleton Fenley, *V. P.* | |
| LA. | .....New Orleans... | N. O. Co-Op. B'k'g Ass'n. | National Bank of Commerce. |
| | $100,000 | Adolphe F. Himel, *P.* | Wm. Preston Wall, *Cas.* |
| | | Emile Vergnes, *V. P.* | |
| MD. | .... Frostburg ..... | Citizens National Bank.. | ..... |
| | $50,000 | Davisson Armstrong, *P.* | |
| " | ..Hagerstown .... | Peoples National Bank. .. | Hanover National Bank. |
| | $100,000 | John L. Nicodemus, *P.* | Abram B. Barnhart, *Cas.* |
| | | Elias Emmert, *V. P.* | Edward Hoffman, *Asst.* |
| MICH. | ..Adrian..... | Adrian State Sav. B'k.... | Chase National Bank. |
| | $100,000 | Wm. S. Wilcox, *P.* | Channing Whitney, *Cas.* |
| | | Richard A. Watts, *V. P.* | |
| " | ..Belding..... | Peoples Saving Bank..... | Fourth National Bank. |
| | $35,000 | Edwin R. Spencer, *P.* | Maurice A. Reed, *Cas.* |
| | | Frank R. Chase, *V. P.* | |
| " | ..Dexter..... | Dexter Savings Bank..... | Hanover National Bank. |
| | $20,000 | Thomas Birkett, *P.* | H. Wirt Newkirk, *Cas.* |
| | | E. T. Chase, *V. P.* | |
| " | ..Edwardsburg... | Citizens Bank ..... | United States National Bank. |
| | $10,000 | John A. Parsons, *P.* | John L. Kleckner, *Cas.* |
| " | ..Flint..... | Union Trust & Sav. B'k.. | First National Bank. |
| | $200,000 | Chas. T. Bridgman, *P.*. | Ira H. Wilder, *Cas.* |
| | | Mathew Davison, *V. P.* | |
| " | ..Ironwood ..... | Peoples Savings Bank. .. | Imp. & Trad. National B'k. |
| | $50,000 | Solomon S. Curry, *P.* | Aubrey D. Garner, *Cas.* |
| | | John H. Taylor, *V. P.* | |
| " | . Mount Clemens. | Ullrich Savings Bank..... | Chemical National Bank. |
| | $100,000 | Paul Ullrich, *P.* | Paul J. Ullrich, *Cas.* |
| | | Geo. M Crocker, *V. P.* | |
| " | ..Richland ..... | Union Bank..... | Chase National Bank. |
| | $10,000 | Wm. F. Doolittle, *P.* | Wm. A. Watts, *Cas.* |
| " | ..St. Joseph..... | Commercial State Bank... | National Park Bank. |
| | $25,000 | Montgomery Shepard, *P.* | W. T. Bradford, *Cas.* |
| | | Newton Vandeveer, *V. P.* | |

| *State.* | *Place and Capital.* | *Bank or Banker.* | *Cashier and N. Y. Correspondent.* |
|---|---|---|---|
| MINN. | Boyd..... | Bank of Boyd..... (Iverson & Hobe.) | ..... |
| " | Fairfax ..... $50,000 | Security Bank..... Albert E. Clark, *P.* Jos. Gaskell, *V. P.* | Hanover National Bank. Albert E. Carver, *Cas.* |
| " | Lester Prairie.. $10,000 | State Bank..... George A. DuToit, *P.* H. J. Heneman, *V. P.* | Tradesmens National Bank. O. W. Lundsten, *Cas.* |
| " | Minneapolis.... $50,000 | St. Anthony Falls Bank... Hiram A. Scriver, *P.* A. C. Haugan, *V. P.* | ..... Joseph E. Ware, *Cas.* |
| " | Owatonna..... $80,000 | National Farmers Bank... L. L. Bennett, *P.* | ..... Carl K. Bennett, *Cas.* |
| " | Wadena..... $50,000 | Merchants National Bank. Jacob J. Meyer, *P.* | ..... .. A. L. Irwin, *Cas.* |
| MONT | Havre ..... | State Bank..... Timothy E. Collins, *P.* Simon Pepin, *V. P.* | Chase National Bank. Emil B. Norell, *Cas.* |
| NEB. | Plymouth..... $7,500 | Bank of Plymouth..... Chas. B. Anderson, *P.* Chas. W. Rieger, *V. P.* | Hanover National Bank. Cyrus W. Harvey, *Cas.* |
| " | Strang ..... .... | Union State Bank..... A. O. Taylor, *P.* J. Sheppard, *V. P.* | National Bank Republic. E. J. Dempster, *Cas.* |
| N. Y. | Liberty ..... $50,000 | Sullivan Co. National B'k. Arnold J. D. Wedemeyer, *P.* James C. Young, *V. P.* | Hide & Leather National B'k. Van B. Pruyn, *Cas.* |
| N. C. | Lenoir..... | Lenoir Bank..... Geo. W. F. Harper, *P.* | ..... |
| OHIO | Elmore ..... $25,000 | Bank of Elmore..... John H. Magee, *P.* | Third National Bank. John N. Magee, *Cas.* |
| " | Montpelier.... $25,000 | Montpelier Bkg. & State Sav. Co. James Draggoo, *P.* George Yesbera, *V. P.* | Chase National Bank. Jos. S. Bailey, *Cas.* O. M. Burns, *Asst.* |
| " | Spring Valley.. | Farmers Bank..... S. C. Puckett, *P.* | ..... S. S. Puckett, *Cas.* |
| PA. | Avonmore. .... $10,000 | Avonmore Bank..... | ..... Chas. A. Hill, *Cas.* |
| " | Pittsburgh..... $300,000 | Nat. B'k of Western Pa.. James Hemphill, *P.* Frank Semple, *V. P.* | ..... Chas. McKnight, *Cas.* |
| S. C. | Conway..... | Bank of Conway..... B. G. Collins, *P.* | ..... D. A. Spivey, *Cas.* |
| TEXAS. | Rockwall..... $50,000 | Rockwall Co. Nat. B'k... T. W. Bailey, *P.* | ..... Frank Jones, *Cas.* |
| W. VA. | Jackson C. H... | Valley Bank..... J. L. Starcher, *P.* E. H. Rader, *V. P.* | United States National Bank. W. W. Riley, *Cas.* |
| WIS. | Madison..... $50,000 | Bank of Wisconsin..... William F. Vilas, *P.* Frank W. Hoyt, *V. P.* | ..... Joseph M. Boyd, *Cas.* |
| " | Palmyra ..... $25,000 | Bank of Palmyra ..... E. M. Johnson, *P.* | ..... Christie Carlin, *Cas.* |
| ONT. | Toronto Junct'n | Canadian B'k of Comm'ce | Canadian Bank of Commerce. R. C. Jennings, *Mgr.* |
| " | Windsor..... | Traders B'k of Canada.. | American Ex. Nat. Bank. George Mair, *Mgr.* |
| NOVA S. | Little Glace Bay | Union Bank of Halifax... | National Bank of Commerce. W. C. Harvey, *Mgr.* |

## CHANGES OF PRESIDENT AND CASHIER.

*(Monthly List, continued from June No., page 954.)*

| Bank and Place. | Elected. | In place of. |
|---|---|---|
| N. Y. City. | Mechanics National Bank | G. W. Garth, *Cas.* | Wm. Sharp, Jr.* |
| " | Twelfth Ward Savings B'k | Isaac A. Hopper, *P.* | Antonio Rasines. |
| Ala. | Alabama Trust & Savings Co. Birmingham. | E. L. Simonds, *P.*<br>J. K. Brockman, *Sec.* | E. N. Cullom.<br>..... |
| " | Bank of Piedmont | E. W. Ledbetter, *Cas.* | R. D. Crusoe. |
| Ark. | Washington Co. B., Fayetteville | A. L. Trent, *Cas.* | J. L. Dickson. |
| " | First Nat. Bank, Helena | Jacob Trieber, *V. P.* | John P. Moore. |
| " | Arkansas Loan & Trust Co., Little Rock. | L. W. Coy, *P.* | Logan H. Roots.* |
| Cal. | Los Angeles S. D. & Trust Co. Los Angeles. | A. P. West, *Sec. & Treas.* | Jesse H. Burks. |
| " | Savings B'k of Southern Cal., Los Angeles. | J. H. Braly, *P.*<br>John A. Hunt, *Cas.*<br>A. H. Braly, *Asst.* | J. M. Elliott.<br>.....<br>..... |
| " | Security Savings Bank, Los Angeles. | T. L. Duque, *P.* | Frank N. Myers. |
| " | Bank of Yolo, Woodland. | W. W. Brownell, *P.*<br>Benj. Peart, *V. P.* | H. P. Merritt.*<br>W. W. Brownell. |
| Col. | American National Bank, Leadville. | F. O. Stead, *Asst.* | ..... |
| Conn. | New Haven Savings Bank, New Haven. | Robert A. Brown, *Tr.* | John P. Tuttle.* |
| " | Union Bank, New London | Robert Coit, *P.* | Wm. H. Chapman. |
| Dak. N. | State Bank, Caledonia | H. D. Hurley, *P.* | A. O. Anderson. |
| " | Dawson State Bank, Dawson. | E. G. Bailey, *P.*<br>V. R. Olmstead, *Cas.* | Chas. O. Barnes.<br>Hugh Neill. |
| " | Bank of Thompson | F. B. Chapman, *Cas.* | W. A. Currie. |
| Dak. S. | Bank of Artesian, Artesian. | W. A. Loveland, *P.*<br>W. A. Meyers, *Cas.* | W. G. Williams.<br>E. H. May. |
| " | Merchants Exch. Bank, Lake Preston. | H. I. Olston, *Cas.* | J. B. Sullivan. |
| " | Parkston State Bank, Parkston. | H. E. Casteel, *Cas.* | D. W. King. |
| " | Security Bank, Tyndall | Jas. D. Elliott, *P.* | F. G. Hale. |
| Del. | Sussex Nat. Bank, Seaford | J. J. Ross, *P.* | H. Martin.* |
| Fla. | Dade Co. State Bank, Palm Beach. | E. N. Dimick, *P.*<br>W. H. Parkin, *V. P.* | John H. Brelsford.<br>E. N. Dimick. |
| Ga. | Atlanta T. & Bkg Co., Atlanta. | Jos. A. McCord, *Cas* | A. Richardson. |
| " | Brunswick Sav. & Tr. Co., Brunswick. | W. G. Brantley, *P.* | Wm. E. Kay. |
| " | J. W. Wooten's B'k, Dawson | F. W. Clark, *Cas.* | E. C. Ellington. |
| Idaho. | Idaho Nat. B'k, Pocatello | C. H. Jenkinson, *Cas.* | A. L. Kempland. |
| " | Idaho Com'l Co.'s B'k, Weiser | B. W. Walker, *Cas* | P. A. Devers. |
| Ill. | Bradford Ex. Bank, Bradford | R. D. Jones, *Cas.* | H. J. Baldwin. |
| " | Nat. Bank of Illinois, Chicago. | Walter Peck, *V. P.*<br>Wm. A. Hammond *2d V. P.*<br>Carl Moll, *Cas.*<br>Henry D. Field, *Asst.* | .....<br>.....<br>Wm. A. Hammond<br>Carl Moll. |
| " | First Nat. B'k, Harrisburg | F. T. Joyner, *Cas.* | T. W. Hall. |
| " | Bank of Harvey | Wm. Lee, *P* | J. M. Wanzer. |
| " | Lemont State B'k, Lemont | J. G. Bodenschatz, *P.* | T. J. Huston. |
| " | Orchard City Bank, Xenia | Geo. W. Cox, *Cas.* | Asher R. Cox. |
| " | Peoples Bank, Yates City | J. W. Dixon, *Cas.* | R. A. Fulton. |
| Ind. | Citizens Bank, Albany | David J. Manor, *P.* | Frank J. Sears. |
| " | Citizens N. B'k, Jeffersonville | C. E. Poindexter, *Cas.* | Geo. Pfau, Jr. |
| " | Citizens Bank, Morocco | L. S. Recher, *Cas.* | Ralph Paxton. |
| " | Commercial Bank, Oxford | Richard Odle, *P.* | Z. Dwiggins. |
| Iowa. | Commercial Bank, Audubon | F. M. Leet, *Cas.* | L. D. Phelps. |
| " | State Bank, Bancroft. | R. N. Bruer, *P.*<br>J. B. Johnson, *V. P.* | S. T. Meservey.<br>R. N. Bruer. |

* Deceased.

| | *Bank and Place.* | *Elected.* | *In place of.* |
|---|---|---|---|
| IOWA.. | First Nat. Bank, Blanchard. | Isaac Monk, *V. P.*..... | ..... |
| | | S. C. Henn, *Asst*..... | ..... |
| " | ..Farmers & Merchants Bank, Corydon. | W. S. Sproatt, *P.*.....A. Walden. | |
| | | A. Walden, *V. P.*..... | ..... |
| " | ..Doon Bank, Doon.....Fred Becker, *P.*.....H. C. Curtis. | | |
| " | ..State Bank, Ellsworth.....O. A. Cragwick, *Cas.*.....Simon Sogard. | | |
| " | ..Bank of Emmetsburgh.....Frank B. Gregg, *Cas.*.....P. O. Refsell. | | |
| " | ..Commercial Bank, Essex.....J. P. Nye, *P.*.....B. M. Webster. | | |
| " | ..Citizens State Bank, Glidden..J. H. Dickey, *P.*.....W. E. Potter. | | |
| " | ..Bank of Goldfield .....J. N. Sprole, *Cas.* .....A. M. Bridge. | | |
| " | ..Bank of Lansing, Lansing. | J. W. Thomas, *P.*.....M. Kerndt. | |
| | | S. H. Hazleton, *Cas*.....J. W. Thomas. | |
| " | ..First Nat. Bank, Malvern.....M. L. Evans, *V. P.*..... L. Bentley. | | |
| " | ..North English Savings Bank, North English. | J. W. Erwin, *P.*.....C. P. Schell. | |
| | | W. F. Hill, *V. P.*..... | ..... |
| " | ..Farmers Nat. Bank, Osage....A. G. Case, *V. P.*..... | | ..... |
| " | ..First Nat. Bank, Shenandoah..T. C. Beard, *Cas*.....Frank Hooker. | | |
| " | ..Sloan State Bank, Sloan. | A. W. Chapin, *P.*.....J. W. Whitten. | |
| | | L. B. Chapin, *Cas*.....C. J. Irish. | |
| " | ..Cedar Co. Bank, Tipton.....Wm. Dean, *P.*.....John W. Casad. | | |
| " | ..First Nat. Bank, Waukon. | J. M. Barthell, *V. P.* ..... | ..... |
| | | W. J. Mitchell, *Asst*..... | ..... |
| KAN.... | Finney Co. Farmers Bank, Garden City. | Thos. P. Miller, *V. P.*..... | ..... |
| " | ..Northrup Bk'g Co., Kansas City. | J. S. Chick, *P.*..... H. M. Northrup.* | |
| " | ..Smith Co. Nat. Bank, Smith Centre. | R. A. Chandler, *Cas*.....A. U. Sheldon. | |
| | | L. C. Waite, *Asst*.....R. A. Chandler. | |
| KY..... | Bank of Pikeville.....Jos. Hatcher, *P.*.....R. M. Ferrell.* | | |
| LA..... | Merchants and Farm. Bank, Shreveport. | E. B. Rand, *Cas*..... | ..... |
| ME..... | Belfast Nat. Bank, Belfast.....C. W. Wescott, *Cas*.....A. H. Bradbury. | | |
| MD..... | Farm. & Mech. N. B., Frederick. | John U. Markell, *Cas.* ...Samuel Nixdorf. | |
| " | ..Nat. B'k of Rising Sun .....Charles S. Pyle, *Cas*.....John D. Haines. | | |
| MASS... | South Adams Savings Bank, Adams. | James C. Chalmers, *P.*.....H. J. Bliss. | |
| | | Wm. S. Jenks, *Sec.* ..... | ..... |
| " | ..Traders Nat. Bank, Boston....R. S. Wentworth, *Cas*.....C. C. Domett. | | |
| " | ..Charles River Nat. Bank, Cambridge. | E. H. Morris, *Asst*.....Wm. M. Snow. | |
| " | ..East Bridgewater Savings B'k, East Bridgewater. | C. F. Mann, *Tr*.....I. N. Nutter. | |
| " | ..Monson Savings Bank, Monson. | Edward F. Morris, *P.*.....S. F. Cushman. | |
| | | Frank E. Morris, *Tr*.....E. F. Morris. | |
| MINN. | Brown's Valley State B'k, Brown's Valley. | Geo. S. Smith, *P.*.....Halvor Nelson. | |
| " | ..First Nat. Bank, Detroit City...John H. Smith, *V. P.*.....A. Brooks. | | |
| " | . Bank of Heron Lake.....J. N. McGregor, *P.*.....T. A. Dieson. | | |
| " | ..State Bank, Madelia.....W. S. Hammond, *P.* ....H. B. Wadsworth. | | |
| " | ..Citizens Bank, New Ulm.....W. F. Seiter, *Cas.* .....John C. Rudolph. | | |
| " | ..State Bank, Springfield.....H. C. Warnke, *P.*.....W. Schmid. | | |
| " | ..Citizens Bank, Wheaton. | M. B. Davidson, *Cas*...Chas. H. Davidson, Jr. | |
| | | W. J. Hellikson, *Asst*..... | ..... |
| MISS.... | Bank of Winona, Winona. | J. T. Lay, *P.*.....W. Trotter. | |
| | | O. J. Moore, *V. P.*..... | ..... |
| | | H. M. Romberger, *Cas*.....C. H. Campbell. | |
| MO..... | Bethany Savings Bank, Bethany. | Jas. P. Hamilton, *Cas*.....M. McCollum. | |
| | | M. A. Higgins, *Asst*..... | ..... |
| " | ..Bank of Blairstown.....J. C. McCalmon, *P.*.....Geo. R. Hindman. | | |
| " | ..Bank of Blue Springs, Blue Springs. | J. H. Moore, *V. P.*..... ..... | |
| | | E. E. Montgomery, *Cas*.. J. H. Moore. | |
| " | ..Central Nat. Bank, Boonville..Chas. E. Leonard, *P.*.....H. Bunce.* | | |
| " | . Farmers & Traders Bank, Braymer. | J. A. Rathbun, *Cas*.....Robt. J. Murphy. | |
| " | ..Bank of Chamois, Chamois. | A. A. Spear, *V. P.*.....A. E. Shobe. | |
| | | C. R. Marquand, *Cas*.....Henry Marquand. | |
| " | . Bank of Deepwater.....J. C. Smith, *Cas*.... .....R. G Denham, | | |
| " | ..Farmers & Merchants Bank, Green Ridge. | Geo. E. Hollenbeck, *P.*...M. Doherty. | |

* Deceased.

| | *Bank and Place.* | *Elected* | *In place of* |
|---|---|---|---|
| Mo. | Peoples Bank, Hale. | H. J. Berghofer, *P.* | F. A. Billow. |
| | | John Smith, *V. P.* | ..... |
| " | Bank of Holden, Holden. | F. McMullen, *Cas.* | J. D. Parks. |
| | | J. W. Pierce, *Asst.* | ..... |
| " | Citizens Bank, Jamesport | G. S. Price, *Cas.* | J. F. Jordin. |
| " | Lombard Investment Co., Kansas City. | M. B. Whitney, *P.* | J. L. Lombard. |
| " | Kingston Savs. Bk., Kingston | J. H. Botthoff, *Cas.* | J. A. Rathbun. |
| " | Commercial Bank, Lexington | J. R. Moorehead, *Cas.* | B. R. Ireland. |
| " | Bank of Macon, Macon City | R. S. Matthews, *P.* | T. F. Owen. |
| " | Bank of Mansfield, Mansfield. | J. J. McMullin, *P.* | J. B. Adams. |
| | | L. D. Marr, *Cas.* | D. Z. Adams. |
| " | Bank of Mayview, Mayview. | J. S. Vickars, *Cas.* | Thos. D. Hammonds. |
| | | Thos. T. Puckett, *Asst.* | ..... |
| " | Bank of Meadville | W. L. Botts, *P.* | A. Lippitt. |
| " | Bank of Oak Grove, Oak Grove. | W. A. Jackson, *P.* | J. M. Harding. |
| | | Geo. W. Osborne, *V. P.* | J. W. Locke. |
| " | Bank of Perryville, Perryville. | Thos. L. Phillips, *Cas.* | R. M. Wilson. |
| | | R. M. Wilson, *Asst.* | ..... |
| " | Rea Banking Co., Rea | G. W. Walrath, *P.* | Joseph Rea. |
| " | Slater Savings Bank, Slater | P. M. Thompson, Sr., *P.* | Wm. H. Holliday. |
| " | Smithton Bank, Smithton | David White, *P.* | H. A. Collier. |
| " | Bank of Stanberry, Stanberry. | A. L. Tomblin, *P.* | E. Sager. |
| | | W. T. Stockton, *Cas.* | A. L. Tomblin. |
| " | German-American Bank, St. Joseph. | Henry Krug, Sr., *P.* | Jno. Donovan, Jr. |
| | | Henry Krug, Jr, *V. P.* | ..... |
| | | J. G. Schneider, *V. P.* | ..... |
| | | O. J. Albrecht, *Asst.* | ..... |
| " | Jefferson Bank, St. Louis | W. E. Berger, *Cas.* | R. E. Gardner. |
| " | Bank of Tipton, Tipton. | J. M. Nelson, *P.* | C. C. Maclay. |
| | | Ray F. Bane, *Asst.* | ..... |
| " | Bank of Morgan Co., Versailles | J. D. Hubbard, *P.* | W. T. Jackson. |
| " | Bank of Warsaw | A. J. Wisdom, *P.* | Jas. H. Lay. |
| " | Wellington Bank, Wellington. | J. A. Mann, *P.* | H. B. Corse. |
| | | H. B. Corse, *Cas.* | O. Mindrup. |
| Neb. | Allen State Bank, Allen | D. I. Gilman, *P.* | F. M. Dorsey. |
| " | State Bank, Arcadia | S. H. Burnham, *P.* | A. P. Culley. |
| " | Bradshaw Bank, Bradshaw. | Geo. W. Kirby, *P.* | Wm. Kerr. |
| | | J. E. Englehardt, *V. P.* | ..... |
| " | Commercial Bank, Chappell. | E. D. Hamilton, *P.* | B. F. Clayton. |
| | | B. F. Clayton, *V. P.* | ..... |
| | | H. I. Babcock, *Cas.* | E. D. Hamilton. |
| " | State Bank, Cordova. | O. P. Shallenbarger, *P.* | C. A. Pierson. |
| | | C. A. Pierson, *Cas.* | H. F. D. Chase. |
| " | International B'k, Dannebrog | P. S. Peterson, *Cas.* | Peter Jepson. |
| " | Farm. & Merch. B'k, Elm C'k | E. L. Sutton, *Cas.* | G. H. Messick. |
| " | Fairbury Sav. B'k, Fairbury | E. E. Goodrich, *P.* | G. J. Carpenter. |
| " | Harbine Bank, Fairbury | H. F. Hole, *Cas.* | M. Zweifel. |
| " | Farmers & Merch. Nat. B'k, Fremont. | Otto Huette, *P.* | Geo. W. E. Dorsey. |
| | | Francis I. Ellick, *V. P.* | Otto Huette. |
| " | Union State Bank, Harvard. | P. H. Updike, *Cas.* | L. J. Titus. |
| | | N. D. Blackwell, *V. P.* | G. W. Updike. |
| " | Bank of Hay Springs, Hay Springs. | E. Williams, *P.* | Wm. Waterman. |
| | | H. A. Chamberlin, *V. P.* | ..... |
| | | Frank Tulloss, *Asst.* | ..... |
| " | Northwestern State Bank, Hay Springs. | Charles Weston, *P.* | Donald Brown. |
| " | First Nat. B'k, Humboldt | F. R. Butterfield, *Asst* | F. Snethen. |
| " | State Bank, O'Neill | G. W. Wattles, *P.* | J. W. Thomas. |
| " | Bank of Orleans, Orleans. | B. R. Claypool, *P.* | E. L. Means. |
| | | E. L. Means, *Cas.* | Walter H. Green. |
| " | Commercial State B'k, Oxford | W. G. Springer, *Cas.* | Dan. K. Camp. |
| " | First National Bank, Pender. | J. H. Henry, *P.* | H. N. Moore. |
| | | John P. Burke, *V. P.* | ..... |
| " | Farm. & Merch. B'k, Prague | F. J. Kirchman, *P.* | Josef Kaspar. |
| " | Randolph State Bank, Randolph. | Jas. F. Toy, *P.* | G. N. Sweetser. |
| | | C. H. Randall, *Cas.* | S. H. Lamar. |

| | Bank and Place. | Elected | In place of. |
|---|---|---|---|
| NEB | State Bank, Republican City | O. J. Vallicott, *Cas* | G. A. Gage. |
| " | Citizens State Bank, South Sioux City. | W. H. Ryan, *P*<br>J. P. Twohig, *Cas*<br>O. W. March, *Asst* | J. P. Twohig.<br>O. W. March.<br>..... |
| " | Farmers & Merchants Bank, Stromsburg. | A. B. Hedbloom, *Cas* | J. W. Wilson. |
| " | Farmers & Merchants Bank, Valley. | J. M. Williams, *P*<br>J. J. Miller, *V. P* | Geo. W. E. Dorsey<br>W. G. Whitmore. |
| " | Saunders Co. Nat. Bank, Wahoo. | Frank Koudele, *P*<br>J. J. Johnson, *Cas*<br>F. J. Kirchman, *Asst* | Geo. W. E. Dorsey.<br>H. H. Dorsey.<br>..... |
| " | Farmers & Merchants Bank, York. | John R. Pierson, *Cas*<br>A. S. Raymond, *V. P* | M. Burns.<br>C. E. Waite. |
| N. J | Nat. Union B'k, Dover | E. H. Baldwin, *Cas* | Geo. D. Meeker. |
| " | Summit Bank, Summit | J. Franklin Haas, *Cas* | E. A. Chapman. |
| N. Y | Farmers National Bank, Adams. | Isaac P. Wodell, *P*<br>Harrison Fuller, *V. P* | C. D. Potter.<br>Isaac P. Wodell. |
| " | State Bank, Bolivar | Geo. A. Root, *Cas* | F. L. Newton. |
| " | Kings Co. Trust Co., B'klyn | Julian D. Fairchild, *P* | J. C. Hendrix. |
| " | Mechanics Bank, Brooklyn | Chas. E. Wheeler, *Cas* | Geo. McMillan.* |
| " | Metropolitan Bank, Buffalo | Henry Weill, *P* | Wm. Meadows. |
| " | Delaware National Bank, Delhi. | Geo. H. Millard, *P*<br>Geo. A. Sturgis, Jr., *Asst* | Geo. E. Marvine.<br>..... |
| " | Peoples Bank, Hamburg. | Amos H. Baker, *P*<br>Simon Sutter, *V. P* | Burton M. Fish.<br>Amos H. Baker. |
| " | Farm. & Merch. B'k, Jamest'n | M. M. Skiff, *Cas* | G. S. Gifford. |
| " | Frontier Bank, Niagara Falls | D. D. McKoon, *V. P* | John M. Hancock. |
| " | Powers Bank, Rochester | John Craig Powers, *Cas* | Wm. C. Powers. |
| " | First Nat. B'k, Ticonderoga | H. G. Burleigh, *P* | C. E. Bush. |
| " | Manufacturers Nat. B'k, Troy | Frank E. Howe, *Asst* | ..... |
| OHIO | Ashville Bank, Ashville | D. H. Squire, *P* | Wm. A. Henry. |
| " | Euclid Av. Nat. B'k, Cl'veland | E. G. Tillotson, *Cas* | ..... |
| " | Mechanics Savings Bank Co., Cleveland. | John M. Gundry, *P*<br>J. H. Jones, *Sec* | Zenas King.*<br>John M. Gundry. |
| " | Commercial Bank, Delphos | C. L. Hartwell, *Cas* | Jno. T. Hartwell. |
| " | First National Bank, Girard | John J. Sullivan, *V. P* | ..... |
| " | Greenwich Bkg. Co., Greenwich | Wm. A. Knapp, *P* | A. Frayer. |
| " | Loudonville Banking Co., Loudonville. | J. W. Stacher, *P*<br>J. C. Hissem, *Cas* | G. Schauweker.<br>J. L. Quick. |
| " | Central Bank, Mechanicsburg. | C. R. Hunter, *P*<br>J. H. Burnham, *V. P* | .....<br>C. R. Hunter. |
| " | Bank of Nelsonville | R. A. Doan, *Cas* | Chas. B. Todd. |
| " | Citizens Bkg. Co., Perrysburg | Jacob Davis, *P* | Jas. Dunipace. |
| OKL. T. | Bank of Edmond | M. Walker, *Cas* | John L. Mitch. |
| ORE | Arlington National Bank, Arlington. | J. A. Thomas, *P*<br>F. T. Hurlburt, *Cas* | VanB. DeLashmutt.<br>J. A. Thomas. |
| PA | Easton Trust Co., Easton | R. E. James, *P* | John T. Knight.* |
| " | Ephrata Nat. B'k, Ephrata | H. B. Bitzer, *Cas* | M. L. Weidman. |
| " | Exchange Bank, Franklin | C. Heydrick, *P* | John L. Mitchell. |
| " | Greensburgh Bkg. Co., Gr'nsbg | Richard Coulter, *P* | Jas. C. Clarke. |
| " | Commonwealth Guar. Tr. & S. D. Co., Harrisburg. | John H. Weiss, *V. P*<br>W. H. Metzger, *Sec. & Tr* | .....<br>..... |
| " | Farmers Bank, Hummelstown | J. H. Backentoe, *P* | C. Hoffer. |
| " | Office Nat. State B'k Camden, Philadelphia. | Wm. Bradway, *Agt* | Goldson Test. |
| " | City Deposit B'k, Pittsburgh | J. W. Finn, *P* | Thomas Brown. |
| " | Columbia Nat. B'k, Pittsb'gh | H. W. Bishop, *V. P* | ..... |
| " | Manufacturers B'k, Pittsb'gh | John C. Stevenson, *P* | Edward Hogan. |
| " | Odd Fellows Sav. B'k, Pittsburgh. | Geo. W. Rankin, *P*<br>Sam'l Shauer, *V. P* | Andrew Miller.<br>..... |
| " | First Nat. B'k, Reynoldsville | Scott McClelland, *V. P. & Asst* | ..... |
| " | First Nat. B'k, Verona | Andrew B. Ledwith, *Cas* | Geo. S. Macrum. |
| R. I | Com'l Nat. B'k, Providence | Andrew Comstock, *P* | Daniel E. Day.* |
| S. C | Farm. & Mech. B'k, Columbia | E. M. Brayton, *Cas* | I. L. Withers. |
| " | Peoples B'k of Grahams, Denm'k | L. S. Trotti, *Cas* | C. L. Wroton. |
| TENN | Bank of Alexandria | Wm. Vick, *P* | Ed. Reece. |
| " | Bank of Huntington | J. M. Wright, *Cas* | Benj. F. Ross.* |

* Deceased.

| | Bank and Place. | Elected. | In place of. |
|---|---|---|---|
| TENN. | Citizens Bank, Jellico. | C. W. Alexander, *P.* | A. J. Smith. |
| " | | U. S. Jones, *Cas.* | C. W. Alexander. |
| " | Peoples National Bank, Pulaski. | N. A. Crockett, *Cas* | E. B. Craig. |
| | | John M. Harwood, *Asst.* | N. A. Crockett. |
| TEXAS. | First National Bank, Atlanta. | John G. James, *V. P.* | ..... |
| | | W. A. Howe, *Asst.* | ..... |
| " | First National Bank, Baird. | Fred Lane, *Asst.* | ..... |
| " | Bonham National Bank, Bonham. | Geo. A. Preston, *2d V. P.* | ..... |
| | | D. W. Sweeney, *Cas.* | George W. Blair. |
| " | Colorado Nat. B'k, Colorado | G. H. Colvin, *Cas.* | E. H. Cooke. |
| " | Amer. Nat. B'k, Ft. Worth | W. J. Boaz, *V. P.* | ..... |
| " | Citizens Nat. B'k, Hillsboro | A. T. Rose, *V. P.* | ..... |
| " | Sturgis Nat. B'k, Hillsboro | F. E. Carter, *Asst.* | L. L. Works. |
| " | Bank of Mangum | S. C. Van Leer, *P.* | G. S. White. |
| " | Camp Co. Bank, Pittsburg | R. A. Morris, *Cas.* | C. H. Morris. |
| " | S. Angelo N. B'k, San Angelo | John Carragher, *Cas.* | Albert Raas. |
| UTAH. | Payson Ex. Sav. B'k, Payson | R. S. Wimmer, *Cas.* | Eli Good. |
| " | Springville B'k'g Co., Sp'gville | H. L. Cummings, *Cas.* | Jas. Caffrey. |
| VT. | Chester Sav. B'k, Chester | C. O. Fullam, *Tr.* | F. W. Adams. |
| " | First National Bank, Orwell. | S. N. Warren, *P.* | C. E. Bush. |
| | | Wm. N. Platt, *V. P.* | Wm. B. Wright. |
| VA. | Savings Bank of Norfolk | Wm. A. Thom, Jr., *P.* | W. Taylor. |
| " | National Bank of Virginia, Richmond. | Geo. L. Christian, *P.* | Emil O. Nolting. |
| | | James T. Gray, *V. P.* | Geo. L. Christian. |
| " | Farmers Bank of S. W. Va., Wytheville. | H. G. Wadley, *P.* | I. J. Leftwich. |
| W. VA. | Tygart's Valley B'k, Philippi | J. F. Manown, *Cas.* | Geo. W. Gall, Jr. |
| WASH. | Oakesdale Sav. B'k, Oakesdale | C. F. Huling, *P.* | F. M. Kendall. |
| " | Seattle Nat. Bank, Seattle | Edward Blewett, *V. P.* | ..... |
| WIS. | Baraboo Sav. B'k, Baraboo | Thos. Baker, *Cas.* | R. B. Griggs. |
| " | Beloit Savings Bank, Beloit | E. F. Hansen, *Tr.* | J. A. Holmes. |
| " | Jackson Co. Bank, Black River Falls. | Abel Cheney, *P* | T. B. Mills. |
| | | J. B. Miller, *V. P.* | ..... |
| " | Citizens Bank, Delavan | John Dewolf, *P.* | S. Rees La Bar. |
| " | Sawyer Co. Bank, Haywood | A. A. McCormick, *Cas.* | James H. Cole. |
| " | Bank of Milton, Milton. | Paul M. Green, *P.* | Ezra Crandall. |
| | | E. Crandall, *V. P.* | ..... |
| " | Peoples Bank, Milton Junc | D. E. Thorpe, *Cas.* | F. R. Morris. |
| " | S. Milwaukee Nat. Bank, South Milwaukee. | T. W. Spence, *V. P.* | ..... |
| ONT. | B'k of Hamilton, Orangeville | H. H. O'Reilly, *Agt.* | H. M. Watson. |
| " | La Banque Nationale, Ottawa | A. A. Taillon, *Mgr.* | P. I. Bazin. |
| " | Bank of Hamilton, Owen S'nd | Ewing Buchan, *Agt.* | H. H. O'Reilly. |
| " | Molsons Bank, Owen Sound | E. W. Waud, *Mgr.* | L. E. Tate. |
| " | Bank of Hamilton, Toronto | F. G. Gosling, *Mgr.* | Ewing Buchan. |
| N. B. | Bank of Nova Scotia, Campbellton. | C. A. Kennedy, *Act. Agt.* | F. W. Daniel. |
| " | Bank of Nova S., Chatham | R. H. Anderson, *Agt.* | F. R. Morrison.* |
| " | Merch. B'k Halifax, Fredericton. | W. F. Mitchell, *Agt.* | W. R. Racey. |
| " | Merch. B'k Halifax, Moncton | John Trainor, *Act. Mgr.* | C. J. Butcher. |
| " | Peoples B'k Halifax, Shediac | E. J. Cochran, *Agt* | H. A. Bailey. |
| N. S. | Merch. B'k Halifax, Bridgewater | W. S. Tupper, *Agt.* | W. F. Mitchell. |
| " | Merch. B'k Halifax, Maitland | Duncan Cameron, *Mgr* | G. H. Dalziel. |
| " | Peoples B'k Halifax, Windsor | J. C. Lithgow, *Agt.* | E. J. Cochran. |

* Deceased

## PROJECTED BANKING INSTITUTIONS.

ARK....Hot Springs....State Exchange Bank. Henry W. Myar, President; John B. Varnadore, Vice-President and Treasurer; S. B. Smith, Cashier and Secretary.

CAL.....Santa Clara....Santa Clara Valley Bank; capital, $250,000. Directors: Abram Block, John Fatjo, J. B. O'Brien, Samuel S. Haines, David Henderson, D. H. Blake and A. H. Wood.

" ..Visalia.....Producers Bank incorporated.

COL....Littleton.....Bank of Littleton started business under management of R. W. English Lumber Company.

DAK. N.Sykeston.....Wells County Bank; capital, $10,000. T. L. Beiscker, President.

DAK. S..Miller.....A. E. Bills has opened a bank known as the Poor Man's Bank.

IND ....Greenwood.....J. L. Polk, Chas. B. Cook, John A. Polk, Grafton Johnson and Henry Brewer are starting a bank at Greenwood with a capital of $25,000.

" ..Indianapolis.. Manufacturers Bank to be established.

" ..Indianapolis....Union Trust Co.; capital, $600,000. Directors: J. H. Holliday, V. T. Malott, Sterling R. Holt, A. C. Harris, H. C. Long and others.

IA.....Harper.....State Savings Bank incorporated; capital, $25,000.

KAN... Goodland .....Merchants and Farmers Bank; capital, $25,000.

" ..Ness City .....Merrill Trust Co.

LA. ....New Orleans ...First National Bank; capital, $250,000. T. R. Roach, President.

MICH...Albion.....Commercial and Savings Bank; capital, $35,000.

" ..Blissfield.....State Bank of Blissfield incorporated.

" ..St. Joseph.....Commercial Bank organized; capital, $25,000.

MINN...Lester Prairie ..State Bank of Lester Prairie; capital, $10,000.

" ..Morgan .....State Bank of Morgan; capital, $10,000.

" ..Wells.....German-American Bank; capital, $25,000.

MO.....Vandalia.....New banking company organized.

NEB....Box Butte.....Box Butte Banking Co.; capital, $15,000. Incorporators: F. M. Phelps, H. W. Axtell, J. S. Neary, R. B. Hamilton, Robt. Maler

" ..Plymouth .....Bank of Plymouth; capital, $50,000. Incorporators: Cyrus W. Harvey, Chas. B. Anderson, George W. Collman, Chas. W. Rieger.

N. Y...Brooklyn.....S. G. Fox & Co., bankers and brokers, have opened an office at 198 Montague St. Firm consists of Samuel G. Fox and Edward J. McKeever.

" .Poughkeepsie ..Dutchess County Trust Co.; capital, $100,000. F. R. Bain, President.

OHIO...Williamsburg ..Lochard Banking Co. Directors: J. T. Knight, T. G. Foster, E. J. Hutchinson, E. S. Moorhead and C. H. Lochard.

" ..Zanesville.....Ohio Safe Deposit and Trust Co. Dr. T. J. Barton, President; W. M. Shinnick, Jr., Vice-President; Henry R. Stanberry, Cashier.

PA.....Muncy .....New bank organized. James Coulter, President; L. Clark Smith, Cashier.

WIS....Glenwood .....New bank established.

## CHANGES, DISSOLUTIONS, ETC.

*(Monthly List, continued from June No., page 959.)*

N. Y. City.....Canal Street Bank has gone into liquidation.
Ala....Tuscumbia.....Tuscumbia Banking Co. reported closed.
Ark....Arkadelphia....Elk Horn Bank (McNutt & Young), now McNutt & Cooper, proprietors.
" ..Beebe.....White Co. Bank reported assigned.
Cal....Fresno.....Fresno Loan and Savings Bank reported closed.
" ..Los Angeles...Broadway Bank reported closed.
" ..Los Angeles...City Bank reported suspended.
" ..Los Angeles...East Side Bank reported closed.
" ..Los Angeles...First National Bank reported closed.
" ..Los Angeles...Southern California National Bank reported closed.
" ..Los Angeles...University Bank reported suspended, will resume.
" ..Ontario.....Citizens Bank reported closed.
" ..Pomona.....Peoples Bank reported closed.
" ..Riverside.....Riverside Banking Co. reported closed.
" ..San Bernardino.Farmers Exchange Bank reported closed.
" ..San Bernardino.First National Bank reported closed.
" ..San Diego.....Bank of Commerce reported closed.
" ..San Diego.....Consolidated National Bank reported closed.
" ..San Diego.....First National Bank reported closed.
" ..San Francisco..Pacific Bank reported closed.
" ..San Francisco..Peoples Home Savings Bank reported closed.
" ..Santa Ana.. ..Commercial Bank reported closed.
" ..Santa Ana.....First National Bank reported closed.
Col....Georgetown....Bank of Clear Creek Co. reported assigned.
" ..Holyoke.. ....Holyoke State Bank retired from business.
" ..Ouray.....First National Bank reported closed.
" ..Rico .....First National Bank reported closed.
" ..Salida.....Chaffee County Bank reported assigned.
Dak.N..Edgeley.....Bank of Edgeley closed.
Dak. S.Armour.....Douglas Co. Bank reported closed.
" ..Chamberlain...Brule Co. Bank closed.
Ga.....Albany.....Hobbs & Tucker reported suspended.
" ..Americus.....Bank of Sumter reported suspended.
" ..Cartersville....Howard Bank reported suspended.
Ill.....Bradford.....Bradford Exchange Bank (Leet & Baldwin), now Wm. Leet, proprietor.
" ..Chicago.....Meadowcroft Bros. reported closed.
" ..Chicago.....Herman Schaffner & Co. reported assigned.
" ..Decatur.. .....Decatur National Bank, now National Bank of Decatur.
" ..Divernon.....Divernon Bank (C. G. & R. S. Brown), now Chas. G. Brown & Co., proprietors.
" ..Edinburgh.....George P. Harrington discontinued.
" ..Gillespie.....Citizens Bank (J. N. Hagins & Co.) reported assigned.
" ..Huntley.....W. G. Sawyer & Co., now Sawyer & Kelley.
" . Macomb.....Bank of Macomb (Q. C. Ward & Co.), now C. V. Chandler & Co., proprietors.
" ..Mascoutah.....Bank of Mascoutah (J. N. Hagins) reported assigned.
" ..Rockford.....American Exchange Bank discontinued.

ILL.....St. Anne.....Bank of St. Anne (J. N. Hagins) assigned.
IND.....Albany.....Bank of Albany, now Citizens Bank, private.
" ..Bedford.....Bedford Bank reported closed.
" ..Hartford City..Merchants Bank succeeded by First National Bank.
" ..Indianapolis....Capital National Bank resumed business.
" ..Kendallville....First National Bank reported closed.
" ..Lowell.....Commercial Bank closed, succeeded by State Bank.
" .. Morristown....Commercial Bank resumed business.
" ..New Albany...New Albany Banking Co. reported closed.
IOWA...Birmingham...Pitkin & Skinner, now E. H. Skinner & Co.
" ..Blanchard.....Blanchard Bank (Monk & Anderson) succeeded by First National Bank.
" ..Carroll.....Rochester Loan and Banking Co. removed to Omaha, Neb.
" ..Goldfield.....Bank of Goldfield (Sprole & Bridge), now Henderson & Sprole, proprietors.
" .. Grundy Centre. First National Bank reported closed.
" ..Larchwood ...Bank of Larchwood succeeded by Savings Bank of Larchwood.
" ..Miles..... Exchange Bank (Miles & Emerson), now T. B. Emerson, proprietor.
" ..Neola.....Bank of Neola, now State Bank of Neola, incorporated, same officers.
" ..Sioux City.....Union Stock Yards State Bank reported assigned.
" .. Waukon.....Bank of Waukon succeeded by First National Bank.
" .. Whittemore....Whittemore Exchange Bank succeeded by Whittemore State Bank.
KAN....Arkansas City..First National Bank is in hands of receiver.
" .. Burr Oak.....Bank of Burr Oak reported closed.
" ..Hope.....Bank of Hope (T. C. Sawyer & Co.) succeeded by Hope State Bank.
" ..Ingalls.....Bank of Ingalls discontinued.
" ..Mount Hope...G. C. Robbins & Co., now Farmers & Drovers Bank.
" .. Munden.....First State Bank discontinued.
" ..Ness City.... Bank of Ness City reported closed.
KY.. ..Ashland.....Second National Bank reported closed.
" .. Stamp'g Gr'und. Reynolds, Lewis & Co. succeeded by Citizens Bank, incorporated, same officers and correspondents.
MD.....Hagerstown....Hoffman, Connor, Smith & Co. succeeded by Peoples National Bank.
MICH...Adrian.....Commercial Exchange Bank succeeded by Adrian State Savings Bank.
" .. Crystal Falls...State Bank reported suspended.
" .. Dexter.....C. S. Gregory & Son succeeded by Dexter Savings Bank.
" .. Gladstone.....Exchange Bank reported assigned.
" .. Mount Clemens. Ullrich & Crocker succeeded by Ullrich Savings Bank.
MINN...Chatfield.....Chatfield Bank (Jones, Ober & Co ), now Lombard, Underbeek & Ober, proprietors.
" .. Kerkhoven.....Bank of Kerkhoven (Allen Weatherby), now J. E. Pulver, proprietor.
" .. Lakefield.....Jackson Co. Bank, now Jackson Co. State Bank, incorporated, same officers.
" ..Minneapolis....Bank of New England reported suspended.
" ..Minneapolis....Peoples Bank reported suspended.
" ..Minneapolis....State Bank reported suspended.
" ..Minneapolis... St. Paul & Minneapolis Trust Co. reported suspended.
" ..Waverly Mills..Bank of Waverly, now State Bank, incorporated, same officers and correspondents.
" ..Worthington...Bank of Worthington incorporated, same officers and correspondents.

MISS ...Wesson.....Mississippi Mills discontinued banking business.
MO.....Kansas City....Peoples Guaranty Savings Bank reported assigned.
" ..Springfield....First National Bank has gone into voluntary liquidation, American National Bank having absorbed all its business.
" ..Webb City.....Exchange Bank reported closed.
MONT ..Missoula.....Western Bank reported suspended.
NEB....Beatrice.....American Bank reported closed.
" ..Beatrice . ... .Nebraska National Bank reported closed.
" ..Cortland.....State Bank reported closed.
" ..Harvard.....Nebraska Mortgage Co. moved to Holdrege.
" ..Omaha.....American National Bank reported closed.
" . Omaha.....McCague Savings Bank reported closed.
" ..Red Cloud.....Farmers and Merchants Banking Co. reported closed.
" ..S. Sioux City...Citizens Bank now Citizens State Bank.
" ..Strang.....Fillmore Co. Bank succeeded by Union State Bank.
N. Y... Buffalo.....H. C. Tucker & Co.'s Bank reported closed.
" ..Buffalo.....Queen City Bank reported closed.
" ..Niagara Falls..Cataract Bank reported closed.
N. C....Greenville.....Young & Priddy discontinued exchange and collection business.
" ..Wilmington....Bank of New Hanover reported assigned.
OHIO...Carrollton.....J. P. Cummings succeeded by Cummings & Saltsman.
" ..Defiance.....Defiance Savings Bank reported closed.
" ..Hillsboro.....Citizens National Bank in hands of receiver.
" ..Jeffersonville . Jeffersonville Bank reported closed.
" ..Marion.....Fahey's Bank, now Fahey Banking Co., incorporated.
" ..Montpelier. ...Montpelier Banking Co., now Montpelier Banking & State Savings Co.
" ..New Bremen...Boesel Bros. & Co., now Boesel's Bank, same officers and correspondents.
" ..N. Baltimore...Peoples Banking Co. suspended, will resume.
" ..Painesville.....Lake Co. Bank (Aaron Wilcox & Co.) reported suspended.
" ..Paulding.....Potter's Bank reported closed.
" ..Sabina.....Sabina Bank reported closed.
" ..Sandusky.....Sandusky Savings Bank reported closed.
" ..Spring Valley..Valley Bank succeeded by Farmers Bank.
" ..Utica.....Farmers Bank (Dunlap & Sperry) now Sperry Bros. & Co., proprietors.
" ..Weston.....Exchange Banking Co. reported closed.
ORE....Albany .....Linn Co. National Bank reported suspended.
" ..Corvallis.....Hamilton, Job & Co. reported suspended.
" ..Eugene.....Lane Co. Bank (Hovey Humphrey & Co.), reported suspended.
" ..Lebanon.....Bank of Lebanon reported suspended.
" ..Summerville....Farmers Mortgage & Savings Bank closed.
" ..Yaquina.....Hamilton, Job & Co. reported suspended.
PENN...Lock Haven...State Bank reported closed.
" .Ridgway.....Ridgway Bank reported closed.
TENN...Chattanooga...City Savings Bank reported assigned.
" ..Nashville.....Nashville Savings Co. reported closed.
TEXAS..Alvin.....Alvin Bank (Samuel & Wilbanks) reported closed.
" ..Atlanta.....Citizens Bank succeeded by First National Bank.
" ..Brownwood ...City National Bank in hands of receiver.
" ..Burnet.....First National Bank succeeded by W. H. Westfall & Co.
UTAH ..Park City.....Park City Bank reported closed.
" ..Provo .....First National Bank reported closed.
VT. ...Chelsea.....First National Bank expired by limitation.

WASH..Ellensburgh....Ben E. Snipes & Co. reported suspended.
" ..Everett.....Bank of Everett reported assigned.
" ..New Whatcom.Columbia National Bank reported closed.
" ..New Whatcom.First National Bank reported closed.
" ..Palouse.....First National Bank suspended, has since resumed.
" ..Roslyn.....Roslyn Bank (Ben E. Snipes & Co.) reported suspended.
" ..Spokane.....Bank of Spokane Falls reported closed.
" ..Spokane.....Citizens National Bank reported closed.
" ..Spokane.....Washington National Bank reported closed.
" ..Spokane.....Washington Savings Bank reported closed.
" ..Tacoma.....Oakland Loan & Trust Co. placed in hands of receiver.
" ..Tacoma.....Merchants National Bank in hands of receiver.
WIS....Lake Mills.....Greenwood Bros. Bank, now Greenwood's State Bank, same officers and correspondents.
" ..Manitowoc.....State Bank reported closed.
" ..Shell Lake.....Shell Lake Savings Bank reported suspended.
" ..Two Rivers....Bank of Two Rivers reported closed.
" . Washburn.....Bank of Washburn reported closed.
WYO...Sheridan.....Frank Bros. & Co. succeeded by Bank of Commerce.

## APPLICATIONS FOR NATIONAL BANKS.

The following *applications for* authority to organize *National Banks* have been filed with the Comptroller of the Currency during June, 1893.

ILL.....Carbondale ....Metropolitan National Bank by William Wykes and associates.
PA. ...Patton .....First National Bank by A. E. Patton. Curwensville, Pa., and associates.
S. C.....Beaufort.....First National Bank by F. W. Scheper and associates.

## OFFICIAL BULLETIN OF NEW NATIONAL BANKS.

(*Continued from June No., page 957.*)

| *No.* | *Name and Place.* | *President.* | *Cashier.* | *Capital* |
|---|---|---|---|---|
| 4854 | Kewanee National Bank..... Kewanee, Ill. | George A. Anthony, | R. E. Taylor, | $50,000 |
| 4856 | Peoples National Bank.. ..... Hagerstown, Md. | John L. Nicodemus, | Abram B. Barnhart, | 100,000 |
| 4911 | Rockwall Co. National Bank... Rockwall, Tex. | T. W. Bailey, | Frank Jones, | 50,000 |
| 4916 | Merchants National Bank..... Wadena, Minn. | Jacob J. Meyer, | A. L. Irwin, | 50,000 |
| 4918 | Nat. Bank of Western Penn.... Pittsburgh, Pa. | James Hemphill, | Chas. McKnight, | 300,000 |
| 4920 | Nat. Bank of Decatur..... Decatur, Ill. | Kilburn H. Roby, | B. O. McReynolds, | 100,000 |
| 4925 | Sullivan Co. Nat. Bank..... Liberty, N. Y. | Arnold J. D. Wedemeyer, | Van B. Pruyn, | 50,000 |
| 4926 | Citizens National Bank..... Frostburg, Md. | Davisson Armstrong, | | 50,000 |
| 4928 | National Farmers Bank..... Owatonna, Minn. | L. L. Bennett, | Carl K. Bennett, | 80,000 |

# FLUCTUATIONS OF THE NEW YORK STOCK EXCHANGE, JUNE, 1893.

*Opening, Highest, Lowest and Closing Prices of Stocks and Bonds in June.*

| GOVERNMENTS. | Interest Periods. | Opening. | Highest. | Lowest. | Closing. |
|---|---|---|---|---|---|
| 2s, 1907 ... reg. | Quarterly—Mar. | 99 | 99 | 96 | 96 |
| 4s, 1907 ... reg. | Quarterly—Jan. | 111¾ | 111¾ | 109 | 109 |
| 4s, 1907 ... coup. | Quarterly—Jan. | 112¾ | 112¾ | 110 | 110 |
| 6s, cur'cy, 1895, reg. | Quarterly—Feb. | 102½ | 103 | 102 | 103 |
| 6s, cur'cy, 1896, reg. | Quarterly—Jan. & July. | 105 | 105 | 104¼ | 105 |
| 6s, cur'cy, 1897, reg. | Quarterly—Jan. & July. | 108 | 108 | 107 | 107 |
| 6s, cur'cy, 1898, reg. | Quarterly—Jan. & July. | 111½ | 111½ | 109 | 109 |
| 6s, cur'cy, 1899, reg. | Quarterly—Jan. & July. | 113½ | 113¼ | 111 | 111 |

| RAILROAD STOCKS. | Opening. | Highest. | Lowest. | Closing. |
|---|---|---|---|---|
| Atlantic & Pacific | — | 3 | 2 | 2 |
| Canadian Pacific | 77½ | 78¾ | 75¼ | — |
| Canada Southern | 50½ | 51⅜ | 48¾ | 49 |
| Central of N. J. | — | 111 | 99⅜ | 103½ |
| Central Pacific | — | 22 | 22 | 22 |
| Ches. & Ohio. | 19¼ | 20⅛ | 15½ | 17⅛ |
| Do 1st pref. | — | — | — | — |
| Chic. & Alton | — | — | — | — |
| Do pref. | — | — | — | — |
| Chic., B. & Q. | 86¼ | 88⅝ | 82¾ | 85¾ |
| Chic. & East'n Ill. | 61½ | 62 | 60 | — |
| Do pref. | 95 | 96½ | 92 | — |
| Chic., M. & St. P. | 69¼ | 70¾ | 65 | 68¾ |
| Do pref. | — | 117¾ | 113 | 113⅜ |
| Chic. & N. W. | 108¾ | 108¾ | 100½ | 103¼ |
| Do pref. | — | 138 | 137 | — |
| Chic., R. I. & P. | 73 | 74 | 66 | 70¾ |
| Chic., St. P., M. & O. | 41¼ | 41½ | 35 | 38½ |
| Do pref. | 115 | 116 | 105½ | 105½ |
| C., C., C. & St. L. | 42½ | 42½ | 39 | 40¾ |
| Do pref. | — | — | — | — |

| RAILROAD STOCKS. | Opening. | Highest. | Lowest. | Closing. |
|---|---|---|---|---|
| Col. Coal & Iron | 46 | 46 | 36⅛ | 37 |
| Col., H. Valley & Tol. | 22 | 22 | 19 | 20¼ |
| Del. & Hudson | 122⅜ | 123¼ | 119 | 119⅞ |
| Del., Lack. & W. | 140⅝ | 140⅜ | 137¼ | 147½ |
| Den. & Rio Grande | 13½ | 14½ | 10⅝ | 10¾ |
| Do pref. | 48½ | 49½ | 35 | 39 |
| East Tenn. V & G. | ½ | ⅝ | ¼ | — |
| Do 1st pref. | — | 15 | 12 | — |
| Do 2d pref. | 4 | 4 | 2¼ | — |
| Evansville & T. H. | 136 | 137 | 134 | — |
| Illinois Central | 92 | 93¼ | 87½ | — |
| Lake Erie and Western | — | 18½ | 16 | — |
| Do pref. | 71½ | 71⅞ | 69 | — |
| Lake Shore | 122 | 125 | 119⅝ | 120 |
| Long Island | — | 100½ | 94 | 96 |
| Louisville and Nashville | 66¼ | 68⅜ | 61¾ | 63⅞ |
| Louisville, N. Alb. & Chic. | 19 | 19 | 14½ | — |
| Manhattan Consol | 130 | 133½ | 119¼ | 125½ |
| Mexican Central | — | 8 | 7 | — |
| Michigan Central | — | 98 | 94 | — |
| Mil., L. S. & W. | — | — | — | — |
| Do pref. | — | — | — | — |
| Minn. & St. Louis | — | 12½ | 10 | 10 |
| Do pref. | — | 31½ | 29 | 11 |
| Mo., Kan. & Texas | — | 12⅝ | 11 | — |
| Do pref. | 21 | 21½ | 18½ | 19 |
| Missouri Pacific | 37¾ | 37¾ | 30 | 33¾ |
| Nash., C. & St. L. | — | 85 | 83 | — |
| N. Y. C. & Hudson | 102 | 104¾ | 99¾ | 101 |
| N. Y., C. & St. L. | 15 | 15⅜ | 12½ | 12⅝ |
| Do pref. | — | 58½ | 57 | — |
| N. Y., L. E. & W. | 17⅝ | 18⅜ | 15⅜ | 16½ |
| Do pref. | 36½ | 38¼ | 33 | — |
| N. Y. & New Eng. | 24¾ | 24¾ | 19¾ | 21½ |
| N. Y., Ont. & W. | 15 | 15½ | 13¼ | 14¼ |
| N. Y., Sus. & W. | — | 14½ | 12 | 12¾ |
| Do pref. | 55 | 56 | 53 | — |
| Norfolk & Western | — | 6¼ | 6¼ | — |
| Do pref. | 28 | 28 | 20 | 22 |

| MISCELLANEOUS. | Opening. | Highest. | Lowest. | Closing. |
|---|---|---|---|---|
| Northern Pacific | 14 | 14 | 12⅛ | 12½ |
| Do pref. | 36 | 36¼ | 31½ | 33¾ |
| Ohio & Mississippi | — | 15 | 14¼ | — |
| Ohio Southern | — | — | — | — |
| Oregon R. & N. | — | 57¼ | 57 | — |
| Oregon Short Line | — | 13½ | 12 | — |
| Pacific Mail | 20½ | 20¾ | 17¼ | 18¼ |
| Peoria, Decatur & Evansville | — | 12 | 8½ | 10 |
| Philadelphia & Reading | 17¼ | 18⅝ | 12⅞ | 14¾ |
| Pullman Palace Car Co. | 174¾ | 174¾ | 164 | 165 |
| Rich. & W. P. Term. | 3½ | 3¾ | ⅞ | — |
| Rio Gr. Western | — | — | — | — |
| Do pref. | — | — | — | — |
| Rome, W. & Ogd. | 108½ | 108½ | 106 | — |
| St. Louis, A. & T. H. | — | — | — | — |
| Do pref. | — | — | — | — |
| St. Louis & San Francisco | — | — | — | — |
| St. Paul & Duluth | — | 35 | 30 | — |
| Do pref. | 102¼ | 102¼ | 100 | 100 |
| St. Paul, M. & M. | — | 110 | 104¾ | 104¾ |
| Southern Pacific Co. | 28¾ | 28¾ | 26½ | 27½ |
| Texas & Pacific | 7 | 7½ | 5½ | 6¾ |
| Union Pacific | 29¼ | 30⅛ | 23⅜ | 25¾ |
| Wabash, St. Louis & Pacific. | 8 | 8½ | 7¾ | 8 |
| Do pref. | 16¾ | 17⅞ | 15¼ | 16¼ |
| Wisconsin Central | 9 | 9 | 7 | 8 |
| **MISCELLANEOUS—** | | | | |
| Am. Cotton Oil Trust | 37 | 38 | 33 | 35 |
| Nat. Lead Trust | 31 | 33 | 27 | 30 |
| Tenn. Coal & Iron | 17¾ | 18 | 12 | 16¼ |
| Express—Adams | — | 146½ | 140 | 145¾ |
| American | 114½ | 115 | 105 | — |
| United States | — | 58 | 51 | — |
| Wells-Fargo | 147 | 147 | 142 | 143 |
| Sugar Refineries | 89¼ | 93 | 77⅞ | 84¼ |
| Do pref. | 87¾ | | 77 | — |
| Western Union | 83⅜ | 88¼ | 79⅛ | 80¼ |
| Wheel. & Lake E. | 16 | 84¾ | 12 | 13¾ |
| Do pref. | — | 163¼ 52¼ | 44½ | — |